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PEACE PROPOSALS ARE A MENACE TO SUCCESS OF ALLIED CAUSE; ISSUE MUST BE FOUGHT OUT

Is Lord Reading in Washington in Connection With Peace Negotiations?

LORD FRENCH'S STATEMENT RE THE FINANCIAL POST

He Declares That France Only Expected Britain to Help Hold Enemy Until Russia Was Ready—Need for National Government in Canada is Now Generally Felt, But it may be Too Late.

A REAL menace faces the allied cause at the present time from the peace movements that are insidiously spreading everywhere. There can be no doubt that the Central Powers desire peace and are pulling all manner of strings to get negotiations under way. The movement has spread to every capital of Europe and has gained considerable headway in the United States, as already described in THE FINANCIAL POST.

The mystery that surrounds the mission of Lord Reading in the United States is perhaps understandable in that connection. Lord Reading headed the Anglo-French Commission which which America in 1915 and arranged for the first loan from the United States. It is said in Washington that his present visit has nothing to do with financial matters, however, and it is believed in inner circles that Reading's mission has to do with peace negotiations. His international alliances are such that credence can be placed in the story. The significant part is that the Chief Justice is very close to the late Government.

And there lies the danger. An inconclusive peace would really be a victory for Germany. It would leave the Teutons victorious on land, inasmuch as peace would find them still strongly entrenched on alien soil on all fronts, save the Italian. Even if peace were concluded on the basis of the *status quo*, Germany would go unpunished for her ruthless trampling of Belgium and Serbia and would feel that she could with impunity strike again when the chances of success were better. The German people would be taught that they had won a victory, inasmuch as the nations which sought to dismember the Fatherland had been fought off successfully.

When it is considered that our superiority in men and resources is so great—the Allies have 977,929,875 people as against 177,964,200 for the Central Powers, and our wealth is as $415,000,000,000 against $113,000,000,000—to accept a compromise peace would be a confession of utter incapacity in our leadership.

The duty of the Allied nations is to persevere in the face of the tremendous sacrifice that a continuance of the struggle entails, to bend every energy to the making of war until the inevitable crack comes in the German powers of resistance.

* * * *

IT IS our duty also to "take stock" of our shortcomings. Prof. W. P. Paterson, a well-known English writer, is quoted in the *British Weekly* as saying: "If our rulers had told our people to prepare, or rather compelled them to prepare, to use the full might of Britain in self-defence and on the side of righteousness in the event of aggression, there would probably have been no war; and their only plea is that they were either too ignorant or too blind to see what was coming, or that they had not the courage to propound a policy of armament which would be likely to prove unpopular at a general election."

This is a forceful presentation of the truth. Not only did the incapacity of the leisured and passively intellectual politicians who controlled the destinies of the Empire—the Asquiths, Greys and Churchills—create the situation which forced us into the war, but their utter lack of aggressiveness and criminal optimism delayed by over a year the measures needed to put us in a position to win the war. Britain awakened only after a year of ceaseless propaganda on the part of Northcliffe, Lloyd George and the rest of the "ginger group." Since the awakening came, some rather remarkable things have been seen. Business men with no political experience are included in the British Cabinet, red tape and precedent are being disregarded, privileges are being ruthlessly abrogated and duties imposed in their place.

* * * *

THE FINANCIAL POST was the first to point out the incapacity of the Asquith government and to preach the need for a National or Business Government not only in Great Britain but in Canada as well. This was in October, 1914. Since then, as proofs of the wisdom of what THE FINANCIAL POST said, have come to light, other papers have joined in the demand for administrative reform. A few days ago the Canadian Manufacturers' Association endorsed the idea of national government to include tried executive men. This body, which of all others should have seen and backed the idea of business administration from the very first, finally enters the lists when the possibility of a national government being formed in Canada has been practically lost!

The statement of Lord French, with its frank exposure of British errors, gives strong endorsation to certain statements which THE FINANCIAL POST made early in the war. Statements appearing in this paper to the effect that the British Government had guaranteed only to send enough men to hold the Germans until France was ready were sharply criticized by certain men of the type who always object to frank speaking. Lord French now corroborates what was said in that connection. In his statement he says: "France expected from us at the most six divisions, which were to have helped her wait the moment when Russia was absolutely ready. We paid there the price for not having consented to co-operation in peace times."

A COMMISSION TO GOVERN AT MONTREAL

Steps Being Considered to Wipe Out the Board of Control and the City Council.

Staff Correspondence.

MONTREAL.—The financial conditions of the City of Montreal may be near the period when a revolution may take place. Word comes from Quebec that the Legislature that is soon to meet in special session will pass a bill, under the auspices of the Premier, that will sweep away the board of control and aldermanic government that has been blamed for a succession of heavy deficits, and replace it by a commission. The main point in this, of course, will be the character of the men who are chosen, otherwise it is conceivable that the last state of Montreal might be worse than the first. It is understood, however, that a powerful element is behind the move, and that the banking interests that are concerned as to the condition of the city's credit will, to put it mildly, place no obstacle in the way of the consummation of a new form of government.

Synchronizing with this report is another actual event in the movement for a cleaning up of the financial mess in this city; the arrival late this week of several members of the staff of the New York Bureau of Municipal Research, who will make a "survey" of the civic administration much after the manner of the one in Toronto. The start will be made on the Treasurer's and Auditor's Departments, so that these may be ready for the coming session of the Legislature. The vote of $18,000 for this work was vetoed by the Mayor, but carried again by Council, which thus set aside the power of veto.

LYALL GETS ORDER.

Will Be Busy on Six-inch Shells for Three Months.

Staff Correspondence.

MONTREAL, Sept. 14.—An important announcement was made to THE FINANCIAL POST to-day by a director that a new three months' order for 6-inch shells had been given to the Lyall Construction Company, and this would enable the munition plant to work to full capacity to end of year.

This is very significant as indicating reversal of Churchill's decision to discontinue further orders for Canada. More orders are said to be in sight, and several plants will alter equipment to suit 6-inch shells.

U.S. ORDERS FOR ALL CANADIAN MILLS CAN MAKE

Montreal and Welland Mills Get Big Orders For Duck.

NO INJURY TO CANADA

Acceptance of U. S. War Business Will Not Hurt Domestic Deliveries—Enameling Replaces Munitions.

Staff Correspondence.

MONTREAL.—The readjustment of Canadian industry goes on with many encouraging elements of compensation. Increased activity in shipbuilding at both ends of Canada is now an accomplished fact, and business is starting for the auxiliary industries. A factor that should be taken into consideration is the prospect of large war orders coming to Canada from the United States.

Mention has already been made of orders for blankets and for underwear that had been placed, and also woolen mitts. On Thursday THE FINANCIAL POST was informed by A. Dawson, vice-president and general manager of Canadian Cottons, that he had just secured an order for 2,000,000 yards of shelter tent khaki duck, worth approximately $700,000. The delivery of this will commence at once, and it so happens that this order will enable the firm to keep a section of its huge plant going that might otherwise have run slack. The order that was accepted was as much as Canadian Cottons could handle, and was not by any means the total amount that is open to Canadian mills.

Indeed a statement was made to the writer also on Thursday of this week by H. F. Nuzum, a leading cotton merchant of New York, that orders for from 7,000,000 to 10,000,000 yards of duck were at the disposal of the mills in Canada if they could accept and handle this quantity.

500,000 Men Across by January 1.

"It is not that the American mills are unequal to the demands of the Government, but simply a matter of speed. At the present time we have not nearly enough of the heavier lines to clothe and house our soldiers for the winter, and Canadian manufacturers can have practically all that they can turn out for us in the way of duck, underwear, blankets, woolen mitts and other necessary lines for our troops in training. Our aim is, if possible, to have 500,000 men across the ocean by the first of the year."

It is understood that another order for duck has been taken by the Imperial Cotton Co., and one for tape by the Hamilton Cotton Co. Penman's, Limited, have a considerable order on hand for underwear, and further ones are expected.

Shifting War Business to States.

Discussing the point that there has been some criticism in Canada of the curtailment of munitions in favor of orders for the United States, Mr. Nuzum said he thought it was only an ordinary commercial transaction. "At first we were loaning Great Britain money and demanded security for every dollar; since we joined the Allies we are loaning money without any security, simply accepting the notes of the Allies. Naturally we expect that all the orders should come to us that can by way of return."

It is noteworthy, to quote Mr. Dawson, that the present order given to Canadian Cottons is the first goods that they will have made for domestic consumption in the United States. Goods have been sent there before,

Continued on page 7.

FINANCES THE BIG FACTOR IN THE SITUATION

National Thrift Will Help to Secure Shell and Food Orders.

THE MUNITIONS OUTLOOK

Reports Indicate New Orders for Six-inch Shells and Prospects of Activity to End of Year—Adjustments Being Made.

Interest in the business prosperity of the country continues to centre around export trade in munitions and other manufactured goods and agricultural products. Finance is obviously the dominant factor, although shipping is also a very important consideration. Concentration of Allied buying is not likely to make any great difference to Canada so long as we can raise the finances to place the orders which are available. Of course, shortage of shipping is an indirect influence on price as it tends to curtail exports, but in this connection America benefits rather than otherwise, because that same shortage puts Canada and the States in a relatively better position than Australia, South America, India and other grain-exporting countries.

But the main problem is to provide the necessary funds to finance the business. In this connection conferences of the big banking interests and the government have been held. As a result it is announced that negotiations have been started to provide an additional $75,000,000 credit for the Imperial Government for the purchase of Canadian meats and other products. However, for the future the savings of the people in their relation to our national loans and Imperial credits promise to be a very important factor in maintaining national prosperity. In this connection it is reported at Ottawa that some steps have been considered to curtail our imports and thus keep more money at home. The date of the new Dominion loan has not been set, but it is expected that it will be floated in November. In the meantime the accumulation of funds by the public to insure its success may have some effect upon general domestic business.

The Munitions Orders.

Opinions appear to differ as to the extent that munitions business has been curtailed. Statements which have been made by THE FINANCIAL POST have been from authoritative sources and are confirmed by industrial reports. However, the other day Sir Thomas White intimated to the house of commons that as much money was being spent on shells as ever. Late advices from New York are to the effect that orders are being placed for big shells for the British Government on a scale to compare favorably with the first year of the war. This appears to refer definitely to 6-inch shells and to prospects for orders for other sizes. In Canada additional orders for 6-inch shells are also being placed, but it would appear that the shrapnel business is pretty much a thing of the past. Makers of 6-inch shells state that they have received reasonable assurance of orders to insure activity to the end of the year. However, there are no definite guarantees.

Readjusting Industry

So far as the shell business is concerned it would appear that the gradual cessation of this war-time activity will be a good thing for the country. Already steps are being taken by the big companies to direct their energies to other products, and the labor being released from the shell plants is being absorbed into other lines of activity. Should shell making continue at a high pitch to the end of the war, it is pointed out that the sudden shutting off of such orders at a time when the soldiers will be taking off their uniforms, would result in a very serious labor problem. Even as it is there are some indications of friction between employer and employed, but it is not of a very serious character.

Fundamentally the position of the country appears to be satisfactory and it should continue so while such high prices prevail for our agricultural products. Money scarcity may mean that we will have to save more and make greater sacrifices for the good of the national coffers, but this should not result in any great hardship, or at least hardship which should be considered as great with the nation engaged in the fourth year of a great world war.

MUNITIONS ORDER.

No Change in the Situation Indicated At Ottawa.

The Wall Street Journal reports orders for shells from the British Government in the United States on a scale comparable with the first year of the war. Asked as to the situation at Ottawa our correspondent wires: Have heard of no change in the situation in regard to orders since Imperial Munitions Board issued its last statement.

GOVERNMENT FACES PROBLEM BUYING WHEAT

Appears to be Only Practical Way of Controlling Prices.

SITUATION IS UNSETTLED

Price of Flour Has Been Affected, But Millers Say They Cannot See What Effect May be on Industry.

The setting of a price for wheat by the Board of Grain Supervisors has not done much up to the present to illuminate the situation. Representatives of the large milling concerns are ready to admit that it will unquestionably have an effect on flour prices, but they do not seem to be very certain as to what effect these regulations will actually have upon the business.

The point of uncertainty at present is what the Government actually intends to do in regard to this set price. Hedley Shaw, managing director of the Maple Leaf Milling Company, when spoken to regarding the matter, stated that it was impossible to give an opinion, because it was impossible to know just what measures the Government intended to adopt. The probable solution in his opinion was that the Government would adopt the same principle as the American Government and buy or guarantee this price.

This, in fact, seems to be the only logical solution of the matter, and yet it is not without its difficulties. As a matter of fact it would appear on the surface that there was not much need of this fixed price in Canada, with the market acting in practical conformity with the American set price. However, there was, no doubt, some understanding that the Governments would act in unison.

Unquestionably, too, this price has not been set without a very careful scanning of conditions. It seemingly represents at the time the price determined by supply and demand. Under these conditions no difficulties need arise, and the Government has actually no responsibilities to bear. But supplies may fluctuate and demand may vary; a hundred-and-one conditions may step in to influence the real price. Provided, then, that actual conditions warranted a price of $2, who is going to assume the responsibility for the difference? It would appear that either the Government must shoulder the difference and pay more than the actual value of the goods, or else the set price must be changed to meet the changing conditions.

It would appear that in curtailing speculative buying in wheat, and setting a price that the Government was merely taking the place of the speculators. Somebody must finance the crop between the time of marketing and the time of consumption, someone must assume this risk. By the latest pronouncements, it would seem that the Government had elected to assume these responsibilities itself. Whether this move is in the best interests of the country remains yet to be seen.

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YEAR'S INCREASE IN FIELD CROPS IS IN MILLIONS

A Flurry of Premature Frost Hurts Very Little.

WHEAT STILL GRADES HIGH

Potatoes Lighter in West—Apple Prices Set—U. S. Has More Wheat and Oats—Miss Cora Hind's Report.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

A cool wave, sending the mercury down below the freezing point, has swept across Canada during the week. Oats and late wheat in the West, and corn, buckwheat and garden crops suffered all over the East. The same frost reduced considerably the corn outlook in the States; in fact, in one State—that of Minnesota—the crop is said to be reduced one-half. In Canada the damage is not heavy. The corn is chiefly for ensilage purposes, and much of the crop is untouched or only slightly so. Tomatoes were cut in many places, so that the pack at the canneries will be reduced. Buckwheat will likely suffer the worst of the crops, as its yield will be cut in two. Otherwise the crop outlook and returns still keep bright, although there are thousands of acres of grain still standing in the Eastern fields. Weather conditions have been such as not to damage it, and threshing and harvesting with the help available is going on well. A flurry over the milk producers raising the price of an 8-gal. can to $2.50 has occasioned many urban mutterings, but the farmers contend that the price is necessary in order to ensure a supply in the future.

As intimated in our report in THE FINANCIAL POST last week, the gratifying feature of the wheat situation is the high quality of the grain. Fully 75 per cent. of the wheat is grading No. 1 Northern as against 75 per cent. below No. 3 Northern last year. A review of the two years, with prices and yields of Western grains, reveals a big increase in returns to the farms. These figures are approximately near the mark from comparisons of Provincial and Federal figures with private returns.

Western Grain Crops, 1916.

Crop.	Acreages	bushels	prices
Wheat	13,200,000	199,100,000	$1.28
Oats	6,198,000	254,900,000	.46
Barley	1,239,400	13,815,000	.77
Western Grain Crops, 1917.			
Wheat	13,400,000	215,000,000	2.20
Oats	8,000,000	190,000,000	.67
Barley	1,900,000	39,000,000	1.20

It will be seen that there will be much bigger returns; in fact, about $270,000,000 increase to the farm on these three crops alone over 1916 figures. The best features of the situation are doubtless that Canada can supply the Allies with over 200,000,000 bushels of wheat.

A Big Potato Crop.

Ontario and the Maritimes have a big potato crop. Yields are running in Ontario from 150 to 200 bushels to the acre of dry nice potatoes. The cool, dry weather of Western Canada has offset their proposed big crops, and they will have no bumper yields; probably the most of it will be absorbed in local consumption. This is not a bad outlook, as there are no signs of export demands from either U. S. or Canada, and no drying on a large scale is being arranged for. An extension of desiccating work might be wisely considered.

Apple Prices Regulated.

The Food Controller has made arrangements to strike a price for Nova Scotia apples in the Western provinces this year. Ontario will not market over a 10 per cent. crop. British Columbia has a fair crop, which will likely be absorbed in the near-Rocky districts.

Beans and Beets.

In beans and sugar beets, the returns are encouraging in Eastern Canada. District Representative Finn, of Middlesex, estimates the Ontario crop of beans at 1,517,524 bushels from 88,854 acres, or double the acreages of 1916. He seems to be quite within the mark while prices are high. Some farmers will be receiving as high as $65 an acre for their crops if the recent frost damages do not aggregate high. In sugar beets a price of $7.75 a ton, which is likely, will pay

Continued on page 6.

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Edward C. Pratt, General Manager

NEWS OF SECURITIES — Market Very Dull

STEEL

Commodity Prices Are Easier. Shellmaking Dies Hard. Stock Market Languid.

By P. BAIN, M.E.,
Editor, Canadian Machinery.

There is less activity so far this month in the iron and steel market than in August, due largely to the generally unsettled conditions existing in the trade; consumers are only buying what they are in urgent need of as they anticipate a general recession in prices. Deliveries are also very slow as it will be some time yet before the Canadian mills can take care of the domestic demand while, on imported steel, licenses have to be obtained which causes considerable delay. Prospects for cheaper coal are not quite so bright. The mine owners in the States are protesting against the prices fixed by the U.S. Government recently, and it appears highly probable that the cost at the mines will be advanced at least 50 cents a ton on soft coal.

Buyers as well as sellers are disposed to assert that they are waiting upon action by Washington in the matter of steel and steel product price fixing. There are very few, however, who think that the U.S. Government has authority to fix steel prices for the general trade, and even if it did, the mills would probably refuse to sell until they ran out of orders. If prices are fixed with respect to Government purchases only, then the trade will wait to see how closely the open market will approach to the Government schedule. While there is a fresh rumor nearly every day, a rough guess would be that the Government prices for the descriptions of steel it needs in largest tonnages will be between one half and two thirds of those at present quoted, and thus the market will have a great deal of adjusting to do.

It is generally admitted throughout the trade that iron and steel prices are to decline, and very materially. The blast furnaces admit, as a rule, that they cannot hope any longer to obtain the prices recently charged and which, with some exceptions, still represent the quotable market, although it has become practically nominal. How far the readjustment will extend, and when it will be completed, are the uncertain things, and no one ventures to express any definite opinion. The level to be finally reached for finished steel prices, at which trading can be resumed will, of course, depend upon the relation between supply and requirements.

Shellmaking in Canada dies hard, judging by the interest taken in the possibilities of further contracts being secured by those who have for months been engaged in the work and who, in recent weeks have found the industry slipping away from them, so to speak, with nothing in sight to replace it. Rumors that orders for shell will continue to be placed in Canada are plentiful, and support is given such a contingency by advices that both Britain and France are negotiating for 6 in. shell in the United States to be delivered in six months. Of course, it has been understood all along, but more specifically since intimation was made a few weeks ago of the curtailment of orders, that 6 inch shell manufacture would continue here on a quantity basis.

It is gratifying to note that a large percentage of our pro tem munitions plants have "shaken" the industry for good, and are now well organized and furnished with orders along normal and peace-time lines. An instance of the declining volume of shell business and the increase in another direction is to be found in the following extract, from the Canadian Locomotive Co. statement. In June, 1916, the company's munition orders had a value of $1,200,000, while at the end of the year just closed the value was $199,600. Locomotive orders had, however, risen to $3,925,400, against $2,600,000 a year ago. In the case of this company the adjustment from war to peace activities has been almost completed.

While willing and ready to accept such shell business as continues to offer, it is undoubtedly the part of wisdom that our metal-working plants "dilute," as completely as lies in their power, munitions with peace time lines of product. Many are doing it, but the number should be promptly augmented.

Recessions have dominated the Canadian stock markets during the week, and little surprise need be occasioned in view of unsettled manufacturing conditions in the steel trade both here and in the United States, and the money situation. Ontario Steel Products furnished the one bright spot, however, the influence of its advance is largely negative because of its lack of claim to be a market leader in any sense. The feeling in the "Street" is that the shell business should be allowed to die out slowly and that in its stead all of the food business procurable should be taken on. With a period of adjustment in progress relative to steel and allied industries, little disposition is being shown to boom the stocks involved.

	Close. Sept. 6.	Close. Sept. 13.	Change
Can. Car, com...	29⅞	29	— ⅞
Do., pref.	65	64¾	— ¼
Can. Loco., pref	89	86	— 3
Gen. Elec.	105	105	—....
Dom. Bridge ...	140	145	— 5
Dom. Iron, pref.	92	91½	— ½
Dom. Steel	63	61½	— 1½
N.S. Steel, com..	95	92	— 3
Steel of Can. com	57¼	55¾	— 1½
Do., pref.	91	88½	— 2½
Ont. Steel Prod.	29¾	30½	+ ¾
Nat. Stl. Car, pf.	30	29	— 1.

NOVA SCOTIA STEEL & COAL CO.

The figures published by the Boston financial press a week ago covering the operations of Nova Scotia Steel & Coal Co. for the first six months of the present year, are of a highly satisfactory and encouraging nature and should go far to inspire confidence in the future on the part of holders of the common stock. Earnings at the rate of of 41½ per cent. are shown on the old common stock capital of $7,500,000, and net profits of $1,596,469, less $40,000 for preferred dividends leave a surplus balance of $1,556,469. No reference appears in the report as to whether provision had been made for business profits tax, and depreciation. However, if both of the latter are left over for deduction at the end of the full twelve months, the showing can still be regarded as highly satisfactory.

Even when the capital is increased to the full $15,000,000 by the final issue of the $5,000,000 of new stock now being paid up and the declaration of the 20 per cent. stock bonus, the 5 per cent. dividend inaugurated at the beginning of the summer would call for only $750,000. Earnings therefore, at the rate shown in the half year's figures contain elements of reassurance and encouragement for stockholders, with the further factor that the new stock issue is to bring in a large amount of new money, which an aggressive management will be able to turn to profitable employment.

Last November in connection with the listing of Scotia shares on the New York Stock Exchange, there was published a consolidated income account for the company and its subsidiaries for six months ending June 30, 1916. It showed a net surplus of $2,347,429, or at the rate of 62 per cent. per annum on the common stock. It was understood later, however, that the Eastern Car Co. earnings were included in the figures, and it was also stated that the figures were before depreciation. The report for the full year with the showing of a net surplus of $2,024,477, or 26.9 per cent. earned on the common came rather as a disappointment.

The stock has weakened to 92 on a few scattered transactions.

ALGOMA STEEL CORPORATION.

Much activity prevails at the Algoma Steel Corporation plant at Sault Ste. Marie, help of all kinds being in demand at good wages. This latter phase of the situation is particularly gratifying, indicating as it does that not only is there a continuance of prosperity ahead for the company, but the opportunity for absorption of labor let out from our shell plants generally is of timely import.

STEEL CO. OF CANADA.

The contract for the construction of a coke oven plant to be installed at Hamilton, Ont., for the Steel Co. of Canada, at a cost of about $1,500,000, has been let to the Wilpute Coke Oven Corporation, New York. From this it will be abundantly evident that the easing up now in process as regards munition orders has in no way affected adversely the company's plans for extending the scope of its peace-time operations through the medium of plant betterment both as to facilities and general equipment. The stock has been sparingly dealt in, the price in common with the general market being off from 1 to 1½ points from that of last week end.

DOMINION STEEL CORPORATION.

The week has been an uninteresting one in Dominion Steel Corporation common. It looks as though the attempt has been abandoned to lift the price to 75 or 80 meantime, a good and substantial reason for so deciding being found in the uncertainty of an increased dividend being forthcoming due to the slackening of munition orders. Comparatively few shares have changed hands and quotations have ranged between quite narrow limits; the price, however, is off some two points from that of a week ago.

CANADIAN CAR & FOUNDRY CO.

Scattered trading has taken place in both the common and preferred stock of Canadian Car & Foundry Co. Prices have been maintained firm around last week's close and there is little doubt, having regard to the various plant activities, that both stocks are being closely watched by the "street" for a moderate upward movement. As a matter of fact we should not be at all surprised to see them in the "spotlight" to that end within the next week or two if the general market position is maintained. Transactions were recorded in the common from 29½ to 30, and in the preferred from 65 to 66.

CANADIAN LOCOMOTIVE CO.

The financial statement of the Canadian Locomotive Co. for the. year ending June 30 shows the largest earnings in the history of the company, manufacturing profits totalling $721,254, an increase of $147,043 over the previous year. Net profits of $616,254, after the payment of bond interest and sinking fund allotments, is by far the best ever reported by the company and is equal to 25 per cent. on the common stock.

As the annual report is featured at length in another section of this issue, it is only necessary for us to express our accord with the views of President Jarvis as to the bright outlook for this property in early future years, following which the increased development of Canada's natural resources will ensure still further prosperity for the company. The executive are to be congratulated on the fine showing made, and we expect the shareholders will feel that way at the annual general meeting to be held in Kingston on September 20. Both stocks have been inactive during the week.

DOMINION BRIDGE CO.

Dominion Bridge stock, as might be expected, has shown little life during the week, awaiting, naturally, the now imminent undertaking of adding the centre span to the Quebec Bridge. According to our information it is proposed to start operations to that end on Saturday, September 15, at 4 a.m. Needless to say a widespread interest is being taken in the project, and there is little doubt that if success crowns the day, as is anticipated, a substantial price appreciation will take place in the stock. An odd lot changed hands at 142.

ONTARIO STEEL PRODUCTS CO.

As has been the case with unerring regularity in recent weeks, one or other of the steel groups of stocks has awakened from its lethargy and begun to move actively upwards. Ontario Steel Products has been the special performer on this occasion. The last transaction in the stock took place on August 2, when the price jumped suddenly from 25 to 29¾. In the interval a considerable shading from the latter figure had taken place, with the result that the beginning of this latest movement showed a quotation of only 20. It, however, advanced rapidly to 25 and touched 33, the best price of the year. At 30½, the closing price, it shows an appreciation of 10 points on the week. Maintenance of satisfactory manufacturing conditions, and prospects bright for their continuance, are believed to be chiefly responsible for the added stock value.

CANADA FOUNDRIES & FORGINGS.

Canada Foundries & Forgings has been to all intents and purposes idle during the week, only a few odd lots of stock changing hands with a wide range of prices between. The tendency of the general market being downward, there is little doubt that recent high quotations would now show considerable shrinkage on moderate offerings; however, so far as we can learn, production at the various plants continues on a satisfactory basis and no immediate diminution is anticipated.

NATIONAL STEEL CAR CO.

Holders of National Steel Car stocks, as well as the public, seem satisfied to await developments as a result of the new management now installed. Little of value on which to base an opinion as to headway being made is likely to be available before the expiration of another month or two, however, the disposition is towards optimism, and in our estimation disappointment is hardly to be expected. A lot of 30 shares of the preferred sold at 29.

MILLING

Much Speculation as to Effect of Price Fixing for Wheat on Flour Market.

By J. L. RUTLEDGE,
Editor Canadian Grocer.

The silenced maintained by the Board of Grain Supervisors as to the price set for wheat, a silence which lasted from Thursday of last week to Wednesday of this week, kept the milling situation in the same condition of uncertainty that has marked it for some time past.

Now that the price has been definitely settled at $2.21, with a 2 cent tax for the government on certain business, the situation is only slightly clearer. The outstanding question now is, what effect will it have on flour. Since the announcement flour has declined 40 cent per barrel. This is an indication of the effect of the price setting, however, it is not these natural indications that are keeping the market unsettled, but the uncertainty as to what the Food Controller will do. Will a set price on flour follow the set price on wheat? That is the important question at the moment, and until some definite action has been taken conditions are bound to remain in an unsettled state.

Recent despatches from Washington stating that American millers are to be allowed 25 cents a barrel for milling, is as yet unconfirmed. With the close co-operation between the American and Canadian Food Controllers, such action on the part of the one would be bound to strongly influence the other. Should such legislation come into effect, it would mean practically a $3 per barrel decline in flour.

Canadian millers are rather inclined to scoff at the idea. They state that such a decline would necessitate a decline of 60 cents in wheat, and the market up to the present has shown no indication of any such decline. There is no question in the minds of many of the milling company officials, however, that flour declines are in prospect. Promient officials fully admit that under the new price a decline of 50 cents a barrel is quite justified. This view is born out by the fact that a decline of 40 cents has already taken place. There is an impression, too, that the Food Controller may force still further declines. But until this official is prepared to make his position clear, little definite can be said as to the future prospects. Business during the whole has been fairly satisfactory during the week, though, not unnaturally, the buying has been of a hand to mouth order, as buyers do not hanker to stock up with high priced flour previous to the decline.

There has been little opportunity to judge the effect of the setting of the wheat price on the activities of the various milling stocks. Such indications, however, up to the time of writing did not appear to be of a discouraging nature. There was no heavy selling of any stocks, and no tendency to weakness. The attitude of all interested parties is evidently one of waiting to see what the next move will be.

OGILVIE MILLING.

The books of the Ogilvie Flour Mills Company have closed for the fiscal period and THE FINANCIAL POST is able to announce that the company has had a remarkably good year and that the large profits that distinguish the report of a year ago will be left behind this year by a considerable margin. Not only so but the prospects for many months to come are exceedingly bright. The mills are working to capacity and one who is in close touch with the company states that it is expected that the orders for flour from England and France will continue to be as large as the mills can supply, and that these exports bulked more than fifty per cent. of the whole flour output of the mills for the year just closed. Some of the large profits for the past year were due to the foresight that resulted in a proper valuation of the influence of black rust and heavy buying of the "raw" material—wheat; so that when the market continued rising steadily the mills were able to cash in on a large proportion of the advance.

Nor will the present fixing of the price of flour and the virtual regulation of the price of wheat that went into effect this week have a very serious effect on the earnings of the mills during the year that is ahead. The profits that last year came to the company from the large advance purchases of wheat at a comparatively low figure, will be absent in the face of the prohibition of buying in futures, and it is fairly certain that the bakers and other heavy buyers of flour will not be likely to stock so heavily with flour at a fixed price and no danger of advancing immediately, as they have been during the past year. The export business, however, will more than take care of any falling off in domestic selling, while, what may be called subsidiary means of revenue for the Ogilvie mills are not likely to show much of a drop.

Following the action of the Canadian Board of Grain Supervisors in fixing the price of wheat at $2.21 on the basis of Fort William and Port Arthur, W. A. Black, Vice-president and managing director of the Company stated to THE FINANCIAL POST that the mills had reduced the price of flour 40 cents a barrel on Wednesday, a drop of $1.40 cents since the first of this month.

"We do not anticipate any fixing of the price of flour by the food controller as the new price for flour just about represents the net profit of 25 cents a barrel that is allowed by the food regulations of the United States."

The net income for 1916 was $774,270 compared with 459,781 for 1915, and the surplus for the year $334,270 compared with $119,781, for the preceding year. The stocks on hand of wheat, flour, etc., were $1,460,873 compared with $694,452 the previous year, and under the conditions of heavy advances in the markets the heavy stocks on hand must have resulted in large additions to the profits for the year ending August 31, 1917.

There was some slight activity in the stock of the company during the past week, and this certainly did not reflect any tendency to depression going from a range of 145 to 148 for last week to a range of 151 to 154 for this. The few sales recorded in the preferred stayed firm at the prevailing satisfactory price of 112¼. The annual meeting of the company has been called for Thursday, Oct. 11.

LAKE OF THE WOODS.

Mr. Neilson, Secretary-Treasurer of the Lake of the Woods Milling company, when spoken to just prior to the announcement of the set price on wheat, stated that a price in conformity with the figure set for the United States would probably result in a decline in the price of flour of 50 cents. The announcement of the price bore out his judgment. In speaking of the business being done by the company he stated that it was very fair. Bakers were not buying heavily at the present time, but he did not consider this a disadvantage, indeed he would not be inclined to accept large orders at the present time, as it would entail the carrying of heavy stocks, which everyone was well advised to avoid as it was not permissible to deal in futures.

There has been no activity in the stock of the company during the past week. The last sale in the common was made at 124 and in the preferred at 116.

MAPLE LEAF.

Hedley Shaw, managing director of the Maple Leaf Milling Company, is of the opinion that price regulation is bound to affect the business of the Milling Companies in some way or other. At present it is not possible to say what that way is, because there has been nothing very definite about the matter. There is no plan outlined as yet for the carrying out or maintaining this price. Until some action is taken in this regard it is his opinion that no one can say just what the effect will be.

Activity in the stock of the company during the past week was of a very limited nature. The range of the common for the week was from 99½ to 100¼, a slight improvement over the preceding week. In the preferred the figure was 92, which was on a line with recent prices.

MINING STOCKS

A Busy Week on the Standard Exchange, With Prices Generally Stronger.

There have been several big days on the Standard Mining Exchange this week,—that is big, in comparison with conditions during the summer. On Monday, sales ran to over 370,000 shares, while on Saturday, Tuesday and Wednesday, transactions were well over the 200,000 share level. The average for the week, 246,162 shares per day, compares with an average of 120,410 shares per day the previous week and is a fair indication of the improvement in the market. The week's record of sales, with the daily quote on silver, follows:—

	Transactions, shares	Silver, cents
Friday, Sept. 7.......	157,450	96⅝
Saturday, Sept. 8.....	246,052	96⅝
Monday, Sept. 10......	370,888	97⅝
Tuesday, Sept. 11.....	251,470	98⅝
Wednesday, Sept. 12..	274,025	98⅝
Thursday, Sept. 13....	177,090	98⅝

While on the whole, prices of mining stocks have firmed up nicely and gains have been fairly well maintained, the bull market of the early part of the week did not retain its strength long. Selling was persistent and by Thursday the movement showed signs of petering out. The position is such, however, that the slightest encouragement will produce another upward turn. Price changes in the leading issues were as follows:—

	Close, Sept. 1	Close, Sept. 13	Change
Adanac	.19¾	.20	+ ¼
Beaver	.36½	.38	+ 1½
Dome Mines	10.00	10.00	..
Dome. Exten.	.16½	.14¾	— 1½
Hargraves	.14½	.15½	+ 1
Hollinger	4.65	5.25	+ .60
McIntyre	1.54	1.57	+ .3
Nipissing	8.55	9.10	+ .55
Vipond	.30	.27¼	— 2¾
Newray	.79	.81	+ 2
Temiskaming	.30	.31¾	+ 1¾
West Dome	.18	.18¼	+ ¼

Last week's shipments from the Cobalt camp amounted to 913,049 pounds of ore, comparing with 696,017 pounds the previous week. The shipping companies were:—

Shipper	Cars	Pounds
Nipissing	4	274,446
Dom. Reduction	2	172,600
Coniagas	2	131,333
Tretheway	2	126,698
La Rose	1	87,710
Penn-Canadian	1	65,985
National	1	54,277
Totals	13	913,049

Nipissing shipped, in addition, 20 bars of silver, containing 25,758 ounces and valued at $24,364.

During August shipments aggregated 3,595,201 pounds, which, with the exception of July, were the highest of the year to date. Fifteen companies were in the list of shippers, these being:—

Company	Cars	Pounds
Nipissing	19	1,411,106
Dominion Reduction	5	429,300
Kerr Lake	5	327,284
La Rose	3	262,919
McKinley-Darragh	3	250,934
Aladdin	2	156,320
Temiskaming	2	123,789
Buffalo	2	122,398
O'Brien	1	108,900
Coniagas	2	105,548
Beaver	1	85,159
Mining Corporation	1	64,464
Hudson Bay	1	61,474
Crown Reserve	1	40,000
National	1	45,606
Totals	49	3,595,201

In view of the existing high price of bar silver, the following summary, showing the average price of the white metal for the thirty-five and a half years, ended June 30th, 1917, is interesting:

1917 (first half)	75.4	1899	59.6
1916	60.5	1898	58.2
1915	49.7	1897	59.8
1914	54.8	1896	67.1
1913	57.8	1895	65.3
1912	60.8	1894	63.0
1911	53.3	1893	78.0
1910	53.5	1892	87.7
1909	51.5	1891	98.9
1908	52.9	1890	$1.05
1907	67.5	1889	93.5
1906	66.8	1888	93.5
1905	60.4	1887	98.0
1904	57.2	1886	99.5
1903	53.5	1885	$1.06
1902	52.2	1884	$1.11
1901	58.9	1883	$1.11
1900	61.4	1882	$1.13

CONIAGAS.

It is understood that the Coniagas Mines Limited have this week exercised their option on the Maidens-Macdonald property. The purchase price, which was not due for some little time, has been paid in full. The Maidens-MacDonald is in the township of Deloro and only a mile or two southwest of Dome Mines. It adjoins the Anchorite, which also is in the hands of Coniagas. A powerful mining plant on the Anchorite is in its final stages of installation. The initial plan of operations is to sink a main shaft five hundred feet. Probably both properties will be worked from the one main central shaft and the proposition is looked upon as perhaps one of the best properties outside of the seven producing gold mines of the camp.

Coniagas shares have been selling in limited quantities this week at from 3.90 to 3.95.

CASEY COBALT.

It was reported during the week that the company had decided to erect new mine buildings to replace those destroyed in the disastrous bush fires of last year. A new mill is also to be erected, as development during the past year has opened new ore bodies and there is now sufficient tonnage to warrant such expenditure.

CONSOLIDATED SMELTERS.

A much more satisfactory report regarding the volume of ore being received at Trail Smelter for the last ten days of August has been issued this week. The total exceeded 14,082 tons, which is only slightly over a thousand tons less than in the corresponding period of 1916. During the month of August, receipts were running very considerably in excess of July but they were still from two to three thousand tons per week less than the August record of 1916. However, the last ten-day period made a decidedly better showing, as is clearly indicated in the following table:

Week Ending	1916	1917
August 7	10,111	8,184
August 14	10,888	7,541
August 21	11,481	8,327
August 31	15,134	14,082
Eleven Months	444,057	348,855

A Vancouver despatch this week states that the company has sold a large block of silver for shipment to China at $1.01½ an ounce.

There has been very little variation in the price of Smelters' shares this week, quotations moving between the narrow limits of 27 and 27¼.

GRANBY CONSOLIDATED.

The annual report for the year ended June 30 last, will be ready shortly and forecasts of its contents are already appearing. That it will exhibit earnings of about $35 per share is anticipated, this contrasting with $25 in the previous fiscal year.

The Granby management has been following the policy of buying up promising mining properties in different parts of British Columbia and using them as feeders of the big smelters at Grand Forks and Anyox. Its operations will also be diversified in the near future by the starting of a coking plant, using the company's own coal supplies.

HOLLINGER.

A suggestion that Hollinger may again be on a dividend basis by the end of the year is receiving circulation just now. The return of harvesters and the closing down of munition plants is said to be enlarging the supply of labor, while the mill is fast being brought up to its capacity. With production thus increased, it should not be long before the company is in a position to resume payments.

A marked improvement in the position of Hollinger occurred this week. Closing last week at 4.80, the stock was marked up to 5.25 on Thursday, closing at that level.

KERR LAKE.

August production of Kerr Lake amounted to 200,855 ounces. This compares with 189,392 ounces in July; 251,367 in June and an average of 215,500 for the twelve months ended August 31.

The annual meeting of Kerr Lake shareholders is scheduled for Monday, September 24, and will be held in New York.

Kerr Lake shares gained 30 cents during the week, selling on Thursday at 5.80.

KIRKLAND LAKE.

The site for the erection of 150-ton mill is being prepared and it is anticipated that the work of construction will be commenced at an early date. A number of other buildings, including a mess house, are in course of erection indicating that mining operations are being pushed with vigor.

LUCKY CROSS.

The sale of the Lucky Cross property in Swastika took place last week, the sale being made to bond holders for the total amount of bonds plus interest, approximately $65,000 to $70,000. W. E. Smith, of the firm of Kiely, Smith & Amos, representing northern interests, made a bid of $50,000, but was overbid by the bondholders' committee.

McANENY.

A report from Timmins this week states that the McAneny, two miles southwest of the Hollinger, is about at the producing stage. Development at this property has been carried on by Barney McAneny, formerly sole owner of Porcupine Crown. Plans are being prepared for the erection of a mill, as the ore in sight and on the dumps is said to warrant a mill with an immediate capacity of 75 tons a day.

McINTYRE.

McIntyre's August report shows a tonnage milled of 15,410, the highest in the history of the mine. With an average value per ton of $9.52, the value of the production was $141,394, which was better than July by about $4,000. This value, however, is not a record, as the ore treated did not run as high as in several other months. The record for the year to date is as follows:

	Tonnage milled	Average value	Total production
January	14,317	$10.60	$145,297
February	13,500	10.65	143,802
March	14,377	10.82	147,792
April	14,373	10.64	153,028
May	15,064	9.83	142,476
June	14,455	10.24	141,208
July	15,363	9.32	137,790
August	15,410	9.52	141,394

McIntyre shares opened the week at 1.57, sold up to 1.61, reacted to 1.55, and closed on Thursday at 1.57.

McKINLEY-DARRAGH.

Work is being pushed on the addition to the oil flotation plant and it is expected that this new unit, which will increase the capacity to 300 tons per day, will be ready this month. It is also reported that satisfactory progress is being made in development work on the 400-foot level. For the full length of the crosscut, which is now several hundred feet in length, the drills have been in ore of good paying grade.

McKinley-Darragh shares sold up on Monday to 74 but reacted later in the week to 69.

MINING CORPORATION.

That the Mining Corporation of Canada is now running the Nipissing a neck-and-neck race for first place in point of production, is pointed out by the Cobalt *Nugget*. The Corporation is producing something like 350,000 ounces every thirty days and the total output for the year will probably be well over 4,000,000 ounces. Mining costs will probably show a little increase over the 1916 average, but the price of silver is so much higher that record profits should be shown.

NEWRAY.

A careful examination of this mine is being made by an engineer of the United States Smelting, Refining, and Mining Exploration Company, which is understood to have an option on a large block of the stock. On the results of his examination will rest the company's decision regarding the exercise of the option.

Quotations on Newray this week ranged between 80 and 83, a slight improvement over the previous week.

NIPISSING.

An extra dividend of five per cent., in addition to the regular quarterly dividend payable October 20, has been declared by the directors of the Nipissing. The financial statement as of September 8, shows cash in banks, $1,848,692; bullion and ore in transit, $239,566 and ore on hand and in process and bullion ready for shipment, $810,899.

The August report of the mine manager states that ore of an estimated value of $298,116 was mined and products from the Nipissing and customs ore of a net value of $588,254 was shipped. The low grade mill treated 6,395 tons and the high grade mill, 32 tons. 640,092 ounces of fine silver were shipped. Production has increased steadily since March, the August gain being $20,626 over July. No new veins were encountered during the month but the regular sources of production continued to be satisfactory.

The ore reserves of Nipissing are understood to be quite on a par, if not actually in excess of the beginning of the year when they amounted to 9,153,000 ounces. At the average of 69 cents received during 1916, they had a value of over $6,250,000. At the present price of silver, these reserves have an approximate value of $9,000,000.

Nipissing shares sold as high as 9.40 during the week, a gain of 1.00 over the low of the previous week. The close on Thursday was at 9.10.

OPHIR.

The directors of the Ophir Cobalt Mines, Limited, have called a special general meeting of the shareholders for September 24 for the purpose of confirming by-laws already passed by the directors. The by-laws provide for changing the company's head office from Cobalt to Toronto, for increasing the capital stock from $1,000,000 to $1,500,000, for the remuneration of directors, for the payment of dividends out of capital, for the right to sell new stock at a discount and for other purposes.

In a circular to shareholders the directors say that the changes will place the company in a strong position to develop the property "through the acquisition of strong mining interests on the board and the completion of plans for financing the development work."

There has been a good deal of activity in Ophir shares all week. Opening on Monday at 10, the stock sold as high as 11¼ during the week, closing on Thursday at that figure.

TECK-HUGHES.

Alterations to be made to the mill at Kirkland Lake, will bring the capacity of the plant up to 100 tons per day. At the present time about 50 tons per day are being treated. By altering the crusher machinery, the higher figure can be obtained. Drifting is being done on the vein at the 400-foot level both east and west and a winze is being sunk to the 600-foot level.

Teck-Hughes shares have been in light demand around 44 and 45.

PULP AND PAPER

No Appreciable Change in the General Market Situation During the Past Week.

By W. A. CRAICK.

Based on the fact that the more active paper stocks have moved within very narrow limits during the past week, it is safe to say that the market situation is practically unchanged. It is true that stocks like Price Bros. and Toronto Paper have come out at much lower figures than were quoted a few weeks ago, but transactions in these shares are so rare that no general significance can be attached to their decline. The favorable Spanish River statement appears to have had no market influence. Changes for the week are as follows:

	Close, Sept. 1	Close, Sept. 13	Change
Laurentide	170	170	..
Riordon	118	117⅞	— ⅛
Span. River, com.	15	16	+ 1
Do., pref.	52	50	— 2
Wayagamack	51⅞	55	+ 3⅛
Brompton	45	44½	— ½
N. A. Pulp	3½	3⅝	+ ⅛
Price Bros.	131	120	—11
Toronto Paper	76	72	— 4

Following the order of the United States Government requiring the International Paper Company to supply newsprint for the publication of the official bulletin at 2½ cents a pound, that company is complying, but under protest. The only recourse from the Government's action is to file proceedings in the equity courts, by which the International may seek to recover damages. These will be determined by a jury and the damage would be ascertained by deducting from what would be considered a reasonable price, the price paid by the Government. Secretary of War Baker will not, it is stated, consider the matter further, being content to let the International Paper Co. take its complaint to court.

An effort, on the part of the U. S. Government, to cut the price of book paper is to be made. The book paper manufacturers have been served with an order by the Federal Trade Commission to cease and desist from their alleged unreasonable and extortionate practice and have been summoned to appear in Washington on October 10 to render a defence of their methods of doing business.

There is no change in the Canadian trade situation. Newsprint continues active, other lines rather slack. Some significance attaches to the announcement of the Canada Boxboard Co. of a 10 per cent. discount off the list price of standard grades of board, lining paper and lining stock. There are four mills in Canada making these lines and competitors of the Canada Boxboard Co. will doubtless follow suit and reduce prices. It is stated that American competition has been the immediate reason for the reduction.

The Canadian Government is being asked to co-operate in a plan formulated by the U. S. Federal Trade Commission to institute a system of monthly and weekly reports of newsprint production and consumption. The aim, it is stated, is to keep publishers constantly informed as to the rate of consumption and production and the stocks of paper on hand. The Federal Trade Commission aims to put newspaper publishers in a position to demand fair prices and make it impossible for manufacturers to raise prices through fear of a paper shortage.

LAURENTIDE.

There is no change to note during the current week in the position of Laurentide. The stock continues to sell, in occasional lots, at 170, which seems to have become the established price for this security.

RIORDON.

Riordon shares are pretty firmly pegged at 118 for the present. This is the price which has prevailed during the past three weeks, with a few sales going through at 117⅞.

BROMPTON.

Trading in Brompton has slackened off to less than a hundred shares a week, a notable contrast to the days a year ago when thousands of shares were turned over each seven days. At present the stock is holding around 45.

PRICE BROS.

A sale of Price Bros. shares at 120 is to be noted this week, this being the first transaction in this stock since early in August. The price of Price Bros. shares reached 134 in July, so that 120 indicates quite a slump in value.

WAYAGAMACK.

This stock appears to have turned the corner. After steadily receding to a low point of 50, recorded on the last day of August, it took a turn for the better this week and gained six points to 56, closing on Thursday at 55. Paper men have viewed the decline in Wayagamack with considerable surprise, as the industry is reported to be in good shape and fully occupied. There should be a steady improvement in the position of the stock from now on.

SPANISH RIVER.

The appearance this week of the annual report of the Spanish River Paper Mills, Limited, for the year ending June 30, has exerted no very appreciable influence on the stock. The common, which has been selling at 15 for the past three weeks, moved up one point on Thursday, while the preferred which stands to benefit first from the improved position of the company, reacted two points to 50. Transactions were very small.

HOWARD SMITH PAPER MILLS.

While orders for bond paper are not coming in to the Howard Smith Paper Mills in as large volume as was the case one year ago, when there was a rush on every side to stock up in anticipation both of a scarcity and higher prices, the mills still are working at nights as well as running to capacity during the day. This is necessary as there still remain some back orders to be caught up. Prices have taken a slight drop in the cheaper lines of bond, owing to some of the dealers in the United States finding themselves stocked up. In the higher grades there is no sign of a drop, as sulphite pulp still keeps up to the high level of several months past. Labor difficulties still exist, although these are not due so much to a rush to munition factories the past year, as there is not such a plant at Beauharnois.

CANADA BOX BOARD.

Extensive improvements have been completed at the plants of the Canada Box Board Co. in Montreal and Frankford, Ont. The capacity of the mill in Montreal has been increased to 33 tons a day of chip board and chip specialties, while at Frankford the output has been enlarged to 50 tons daily of straw board and filled wood board. The company reports that the outlook for fall trade is exceptionally bright.

PACIFIC MILLS.

According to a recent report from Vancouver, the Pacific Mills, Limited, now operating at Ocean Falls, B.C., proposes to have new units in operation there by the first of the year, which will bring its daily production of paper up to 250 tons per day. At the present time it is turning out newsprint, making only sufficient pulp for its own purposes. Two additional big news machines will be installed within the next two or three months. The plant is also being equipped for the production of sulphate pulp papers such as kraft. This mill will be in operation within a few weeks and the company will then be turning out kraft wrapping paper as well as newsprint.

The two new paper machines referred to are being built at Watertown, N.Y. In fact, one of the machines is already being shipped and the other will be ready for shipment within a month. Approximately 100 freight cars will be required to transport the two huge machines across the continent to Ocean Falls.

WHALEN PULP.

The Whalen Pulp & Paper Mills, Limited, expects to have a fourth digester going at Mill Creek, B.C., within two months. This additional unit is expected to balance operations there and will also provide for an increased production. The Mill Creek plant at present produces about eighty tons of pulp per day. A fourth digestor is also to to be operated at the company's Swanson Bay plant about the same time. The present production at Swanson Bay runs about forty tons of pulp daily. The addition unit will increase this materially.

The Whalen mills do not make paper. They produce pulp for export to the United States where it is used for the production of high-class bond and book papers. This pulp is of the slow-cook fibre variety.

TEXTILES

More Activity But a Weakness in Prices Developed—Raw Cotton Sure to Drop.

The textile stocks for the week have shown rather more activity, though confined to a narrow area, than for some weeks past. The extra movement on the whole did not seem favorable to a stronger tone, for while one was unchanged except for a temporary loss of ¼, the other two dropped 1½ and 3¼ points respectively. There was nothing in the reports from the mills to warrant this weakening and this must be attributed to the general condition of the market.

A change which must be regarded as having a very important bearing on future conditions of selling in the cotton textile branch is in progress in the raw cotton market. For some weeks past THE FINANCIAL POST has been pointing out the inherent weakness of the raw market and declaring that further declines were due. As a matter of fact this took place this week and futures were on the average almost 100 points, or one

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

THE STERLING BANK OF CANADA

We insist upon the cultivation of the habits of promptness and courtesy by each member of our staff.

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital ..... $ 5,000,000
Reserve 3,400,000
Total Assets ..... over $109,000,000

John Galt ..... President
H. B. Shaw ..... General Manager
J. W. Hamilton... Assistant General Manager

This Bank, having over 310 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch. New York Agency, 49 Wall St., New York City. Geo. Wilson, Agent

CORRESPONDENCE SOLICITED.

SUPREME COURT OF THE INDEPENDENT ORDER OF FORESTERS

200 REPRESENTATIVES PRESENT FROM UNITED STATES, BRITAIN AND CANADA

W. H. Hunter, B.A., Toronto, Supreme Chief Ranger—Pay Life and Endowment Certificates to be Issued—Sick Benefit Extended—War Auxiliary to be Formed.

The seventeenth regular session of Independent Order of Foresters convened Tuesday in the fine assembly hall of the I.O.F. Temple building. The Supreme Chief Ranger, Elliott G. Stevenson, presided. Fully four hundred officers, High Court representatives and visiting members of the Order from all countries where the Order is operating were present.

Officers' Reports.

The reports of the officers showed that the membership on December 31, 1916, stood at 186,030, with an amount of insurance of $181,947,224.

There are fifty-four High Courts in the Order, which operates in Great Britain and Ireland, the United States and Canada. There are 3,151 Subordinate Courts and 402 Companion Courts, made up exclusively of women.

According to the Supreme Chief Ranger's report, the surplus over and above the necessary reserve to make the Order 100 per cent. sound, was in 1914, $536,138; in 1915, $644,999, and in 1916, $716,974, which proves the adequacy of the 1913 readjustment.

According to the Treasurer's statement, there were paid out since last Supreme Court meeting in benefits, such as mortuary, total and permanent disability, old age and expectation of life, $14,114,884.20. The balance in the mortuary fund on December 31, 1916, was $43,917,759.71.

The report of the Medical Board showed that 59,270 applications were received since last Supreme Court meeting, of which number 53,755 were accepted, the amount of insurance being $41,516,250.00.

Conditions Incident to the War.

The five Standing Committees of the Supreme Court met last week at the call of the Supreme Chief Ranger to consider the conditions arising from the war as they affect the liabilities of the Order and its balance sheet. In the report presented by Bro. Savage of Michigan it is stated:

"Up to the present over 4,000 members of the Order are in active military service. The fatalities have been in excess of any war of modern times. Now that the United States are also engaged, 33,247 of our members resident there are between the age of 21 and 31, and subject to draft. It is quite possible that in the United States fully 15,000 may be drafted. The first group has already been called. Under the military service act in Canada 1,000 additional Foresters are likely to be engaged in military service.

"This has created an altogether unexpected condition, and calls for action. It was felt that though the Order was protected by war clauses on certificates issued after the war, that the Order should extend its protection to members serving their country. To meet such increase in insurance liabilities and maintain its reserves unimpaired, the committee recommend the placing of an assessment of fifty dollars on every thousand dollars of insurance issued by the Order prior to the 1st of January, 1917. This can be either a lien against the policy or can be paid by the member."

It was the judgment of the committee that this would be more than ample to meet all possible contingencies, and the recommendation of the committee was, after careful consideration and a full explanation by the Supreme Chief Ranger, adopted by a vote of 192 to 4.

Any portion of this special assessment that may not be required will again be placed to the credit of members.

Unswerving Resolve to Uphold the Honor of Their Nations.

The committee closed their report with the following declaration, which was received with cheers:

"We stand firm and unswerving in our belief that the honor and integrity of our nations must and shall be upheld. We are firmly of the opinion that it is the fraternal duty of each and all of our one hundred and eighty-six thousand members, whose loyalty and patriotism stands unchallenged and unquestioned, to send the helping hand of fraternal brotherhood to those of our brethren who go forth to sacrifice their lives if need be that universal liberty and freedom shall be maintained for all mankind. As members of this great fraternal brotherhood we cannot do more, and must not do less."

Amendments to the Constitution.

A large number of changes were made in the Constitution and Laws of the Order, many of them of minor importance. Among the more important ones are the increase of the Supreme Executive from seven to nine. Two new members to be known as "Supreme Councilmen" are added.

Two additional Certificates can be issued in future, one a pay life and the other endownment, but in no case will the amount of insurance given to any one individual exceed $5,000.

A larger Sick Benefit can be given for a longer continuous period than formerly, and without any increase in the assessment.

The membership of the Investment Committee was increased to five.

Benevolent Work.

The visit of the Representatives to the Orphans' Home at Oakville will send everyone home impressed with the extent and completeness of this branch of the Order's work. At present, upwards of eight hundred orphans are being helped, fifty-one in the home, over seven hundred in the homes of their widowed mothers, the latter receiving monthly grants until such time as they are able to do for themselves. Four hundred and seventy-three homes in this way are kept unbroken, and the fatherless ones are receiving a mother's care and training. It was an interesting fact that of the boys, who have passed through the home, twelve are participating in the great war.

Equally interesting and worthy of commendation is the work carried on in the two Consumptive Sanatoria, one at Rainbow Lake, New York, and the other in Lopez Canyon, California. All that skill and the fraternal spirit can do to cure incipient cases and to stay the progress of more advanced cases is being done. Fully ninety per cent. of those who seek treatment in the earliest stages of the disease, return to their homes apparently cured.

State of the Order.

The committee dealing with this subject touched on the various activities, and interests of the society, emphasized the value of the work, done by officers in Subordinate Courts, especially the Financial Secretary; approved of the amalgamation into one strong Court of two or more weak ones in the same locality; noted the splendid progress made in many jurisdictions, notwithstanding adverse war conditions, and predicted that with adequate rates and extension of the benevolent spirit and the granting of insurance under additional forms of certificates, would increase the membership.

War Work.

A War Committee, for the first time in the history of the Order, was named to consider how the members, their families and friends, through the Subordinate Courts of the Order, could help win the war. It was decided that a club be organized under the name of the Independent Order of Foresters' War Aid Club, wherever possible. The purpose of this club will be to organize members throughout the Forestric world to take up some phase of war work. Literature will be prepared and circulated showing what can be undertaken and accomplished. Everything possible will be done to inform our members as to the needs of our gallant soldiers and the magnitude of the world's struggle that is going on, and at every Court meeting the responsibilities and opportunities of our members in this connection will be emphasized, and expression found in some helpful and tangible way.

OFFICERS FOR THE NEXT SUPREME COURT TERM.

The following Supreme Court officers were unanimously elected:

Supreme Chief Ranger, William H. Hunter, B.A., Toronto; **Past Supreme Chief Ranger**, Victor Morin, K.C., Montreal; **Supreme Vice-Chief Ranger**, Frank E. Hand, California; **Supreme Secretary**, Fred J. Darch, Toronto; **Supreme Treasurer**, Robert Mathison, Toronto; **Supreme Physician**, Thomas Millman, Toronto; **Supreme Counsellor**, J. D. Clark, Ohio; **Supreme Councilmen**, Judge M. N. Cockburn, New Brunswick; Hon. William Bent, Connecticut; **Supreme Auditors**, George E. Bailey, New York; Alex. Stewart, Toronto; **Supreme Medical Board**, C. B. Dickson, California; C. Day Clark, Toronto; W. E. Stevens, San Francisco.

Universal regret was felt by every member on the retirement, through seriously impaired health, of the Supreme Chief Ranger, Mr. E. C. Stevenson.

Mr. Stevenson carries with him as he retires from office the admiration and affection of all who know his love for and great work for the Order, especially the orphans and the distressed.

The new Supreme Chief Ranger, W. H. Hunter, is the type of man that prefers to have his work, and that only, speak for him. His accurate knowledge of insurance law, his long connection with the Order, his eminent services as Supreme Counsellor justify the confidence of his brethren as expressed in his unanimous election to the highest position in their gift. His time, ability, experience and influence will be wholly devoted to the Order.

NEWS OF SECURITIES

Continued from page 3

cent a lb., below the record of a week ago. Spot cotton is not influenced as much now by the condition of the new crop and dropped less than this.

The viewpoint of THE FINANCIAL POST was confirmed on Thursday of this week by a prominent cotton merchant of New York, H. F. Nuzum, who was in Canada on a brief visit. "There is every indication that raw cotton will make further declines and I would not be surprised to see it drop to 15 or even under, practically what it was a year ago," he declared. "The reason for this simply is the falling off in the demand. It has been argued that on the declaration of peace there will be a rush of the nations of Europe for American cotton, and a famine will develop which will force the market up to very high prices. I do not look for this except for a slight and merely a temporary, sentimental one and a drop later.

"I believe that an era of economy will sweep over the world and that instead of there being a rush of the whole would to spend money, that they will try to save as much as possible. They are spending so much of their money now that they will not have much left when the war is over.

"The high prices that have ruled in the raw market for more than a year were due partly to the knowledge that the users of raw cotton were themselves making larger profits than ordinarily, and that where formerly the grey cotton went out to the consumer at a margin of 3 cents there often was a margin as high as eight cents. As a result the holders of raw cotton considered that they were entitled to a share of this. And so they got it. In a short time all parties will be down to rock bottom in the matter of margins, and cotton will drop far below where it is to-day, and will stay down for a long time to come."

If this prediction of Mr. Nuzum comes to pass it means that very shortly there must be a reduction in their prices by the textile mills. Prices have been on a steady incline for nearly eighteen months now, and the drop in raw of fully seven cents from the high mark it reached a few months ago, means that present-day prices are as high and perhaps a little higher than the raw market warrants.

The advantage of such a condition is this: The lower price of raw cotton will enable the mills to adjust prices to the inevitable demand of the public for lower prices in all directions, and the sooner the drop can be brought into effect in textiles the less danger will there be of any link in the chain extending from the manufacturer to the consumer, being caught with high priced stocks on hand.

Unfortunately the woolen mills are in no such position, and the first indication of a drop in the price of wool and woolen yarns seems still far distant.

The entrance of the United States into the Canadian field for war stocks in the form of textile goods and woolens will be welcomed by a number of the Canadian mills that will in this way fill up a few gaps that may be left through the inevitable slackening of Canadian orders.

	Close. Sept. 6.	Close. Sept. 13.	Change
Can. Cot., com....	50	48	— 2
Do., pref.	75	76	+ 1
Dom. Textile, com.	83½	83½	....
Do., pref.	101	101½	+ ½
Mont. Cottons, pre.	100	99½	— ½
Monarch Knit, com	35	35	....
Penmans, com. ...	70	69	— 1

CANADIAN CONVERTERS.

There was no movement in the stock this week, as for some time past. Business conditions continue good. Throughout this year the stock has held up well, between 40 and 43.

BELDING-PAUL-CORTICELLI.

While the earnings for the first nine months of the year for Belding-Paul-Corticelli, Limited, show a considerable increase in the gross as compared with the corresponding period of last year; the present business is not bulking as large as one year ago. The increase in the amount in dollars is due to the heavy increases in the selling prices of all lines in the twelvemonth. However, the volume of business is considered as satisfactory, and a splendid year's report will be forthcoming.

CANADIAN COTTONS.

In another article in this issue details are given of the order that Canadian Cottons have received from the United States Government for 2,000,000 yards of khaki duck. More than this was at the disposal of the mills, and it is gratifying to know that this was the limit that could be accepted; at least, gratifying from the point of view of domestic business. There is the other point that should not be passed over lightly, that any assistance that the Canadian mills can afford to the United States Government not only helps the labor situation in this country, but, far more important at this crisis, accelerates the despatch of reinforcements of U.S. soldiers overseas.

Speaking of conditions in connection with his mills, the vice-president, A. Dawson, stated to THE FINANCIAL POST that steady orders are being received in good volume, although somewhat below last year's in some lines, and the labor situation is improving everywhere.

The market went against Canadian Cottons, however, this week. The common dropped from the level of 50, where it has been for some time, and on Thursday declined from 47, 47½ and 47 to as low as 46⅞. The preferred was stronger on the other hand, and fifty shares sold on Monday at 76, a full point ahead of last week's close, though it was still as much below the figures of one month ago.

DOMINION TEXTILE.

Business continues to be received in smaller volume than during the corresponding period of a year ago, and although the mills are working almost to the limit to catch up with the orders of the past that are still undelivered, there is some doubt whether the actual quantity of goods sold will equal the record that was established in the year 1916. The total amount so far as the value goes will show a large decrease, and up to the present this is understood to be well up to $1,000,000. Good profits are assured Dominion Textile on the year's operations.

The stock keeps up remarkably well, with scarcely a fluctuation. There were a number of sales at 83½, where the stock has been for some weeks.

MONTREAL COTTONS.

There were no sales this week, the close of the week before in common being 51. The last in preferred was at 100.

MONARCH KNITTING.

Another week has passed, as for several months, with no sales. The last in common was at 35, and preferred at 80.

PENMANS.

When the history of the present year's business comes to be written it is likely that the filling of large orders from the U.S. Government will be found to have contributed just what was required to keep the mills running to capacity. Whatever the mills may fall short of this desired end may be attributed to the shortage of wool and yarns. It was the possibility of this, as well as a difficulty in regard to labor that influenced the mills at the end of last year and again early this season in cutting down the allotments to the various supply houses. This scarcity of help still interferes with the output, but the lessening of munition orders will help Penmans indirectly by opening the way to secure more male and female labor.

The common stock continued the slight decline of last week and went down one point to 69. There were no sales of preferred.

TRANSPORTATION

Country Committed to Public Ownership Policy—The Railroad Earnings.

The passage of the bill providing for the purchase of the Candian Northern by the government has finally committed that body and the country to a policy of public ownership and it has given more or less definite assurances that it proposes to go further in the future in this direction. Canadians can, therefore, be prepared for the experiment which has met with such little success in other countries and which is not in favor in the Dominion, where the people have had experience. A change of government at the next election will not be likely to have any effect upon this experiment as the opposition to the program of the present administration was not with regard to the principle involved, but with regard to the purchase of the common stock of the road rather than allowing it to go into liquidation. Opponents of government ownership have every reason to fear the usual inefficient administration, and if the Railway Commission, as well as the Board of Management, is subject to political influence it may well be that with the manipulation of rates and discrimination in favor of the government system the affairs of the efficient private roads may suffer.

The month of September is opening up with better indications for the Canadian railways, which for the month of August had fallen below the mark of one year ago by an average of four per cent. In fact, both the Canadian Pacific and the Canadian Northern dropped behind, to the extent of 6.7 and 7.6 per cent. respectively. For the first week of September only the C. P. R. shows a decrease and this is almost negligible, less than one-half of one per cent. The Grand Trunk has an increase of over 3 per cent., and the C. N. R. of about one per cent. The total earnings were $4,699,780, a net increase of $35,819. The comparative figures are as follows:

	1917.	1916.	Change.
C.P.R ..	$2,666,000	$2,679,000	— $13,000
G.T.R. ..	1,317,980	1,276,061	+ 41,919
C.N.R. ..	715,800	708,900	+ 6,900
	$4,699,780	$4,663,961	+ $35,819

CANADIAN NORTHERN.

The Government bill providing for the purchase of the common stock surplus of the Canadian Northern Railway has been finally passed by the Senate, and it now remains for the negotiations to be completed by the valuation by a commission of the securities to be purchased. The legislation was the subject of strenuous contention in the Upper Chamber as it was in the Commons. The Opposition, evidently with the object of making political capital for the forthcoming election—an object also obviously behind the Government policy—maintained that the road should be allowed to go into a receivership and that the stock, according to the majority of the Royal board of inquiry—the Drayton-Acworth view—did not have a market value. Sir James Lougheed on behalf of the Government gave assurance that the Government would insert a maximum amount in the contract to be made with the company, but no such clause was placed in the bill.

An interesting feature of the debate on the bill in the Senate was the explanation by Senator Lougheed of the policy of the Government in buying the common stock on a valuation to be set by a commission rather than allow the company to go into the hands of a receiver as would be the logical development. He pointed out that the condition of the company was one of insolvency and it was a matter of the Dominion or the Provincial Governments intervening. In the latter event the provinces individually could only act with regard to such portions of the road as were covered by their guarantees. If the Dominion did not act it would be incumbent upon each province to act to save itself. Immediately the creditors decided to take action with regard to their bonds the provinces at once became involved as guarantors. He could not conceive that it would be in the interests of Canada as a whole to allow the system to be split up in the manner indicated.

For the first week in September the gross earnings of the Canadian Northern Railway system amounted to $715,800 and showing increase over the corresponding period in 1916 of $6,900, or .9 per cent. From July 1, to date the earnings amount to $7,965,900 compared with $8,228,000 for the corresponding period a year ago, a decrease of $262,100. Comparative figures follow:—

Aug. 7....	$775,500	$868,000	— $92,500	10.6
Aug. 14....	746,800	841,500	— 94,700	11.2
Aug. 21....	748,500	846,300	— 97,800	13.0
Aug. 31....	1,134,400	1,129,100	+ 5,200	0.4
	$3,405,200	$2,684,900	—$279,700	7.6
Sept. 7....	715,800	708,900	+ 6,900	.9

CANADIAN PACIFIC.

The Canadian Pacific Railway company reports gross earnings for the first week in September amounting to $2,666,000, which is smaller by $13,000, or .4 per cent., than for the corresponding period in 1916. As compared with the figures for the first week in August the earnings are higher by $107,000. Comparative figures follow:—

	1917	1916	Dec.	%
Aug. 7...	$2,559,000	$2,985,000	$426,000	14.3
Aug. 14...	2,746,000	2,943,000	197,000	6.7
Aug. 21...	2,700,000	2,860,000	160,000	5.5
Aug. 31...	4,018,000	4,092,000	74,000	1.8
	$12,023,000	$12,880,000	$857,000	6.6
Sept. 7..	2,666,000	2,679,000	13,000	.4

GRAND TRUNK.

Gross earnings of the Grand Trunk Railway system for the first week in September amounted to $1,317,980 compared with $1,276,061 for the corresponding period in 1916, an increase of $41,919 or 3.2 per cent. Following are comparative figures:

	1917	1916	Inc.	%
Aug. 7.....	$1,320,706	$1,256,376	$64,330	5.1
Aug. 14....	1,320,753	1,236,980	83,764	6.8
Aug. 21....	1,371,233	1,304,848	66,385	5.
Aug. 31....	2,008,128	1,852,163	55,965	2.8
	$6,020,820	$5,750,376	$270,444	4.7
Sept. 7....	1,317,980	1,276,061	41,919	3.2

The Grand Trunk Pacific railway reports earnings for the week ending August 14, amounting to £25,450, which is higher by £8,800 than the figures for the corresponding period in 1916. For the week ending August 21, the earnings were £24,632, an increase of £8,735, while from July 1, to August 21, the earnings aggregated £175,091 against £122,038 for the corresponding period a year ago, an increase of £53,053.

CANADA STEAMSHIPS.

The earnings of Canada Steamship Lines will be affected to some extent by the result of negotiations, that THE FINANCIAL POST is credibly informed, are going on with the Government. An attempt is being made by the authorities to fix the freight rate on wheat for the carriers from the head of the lakes to Georgian Bay. A rate of 4½ cents has been fixed in the United States to Buffalo, and it is understood that Canada Steamship Lines are claiming the same rate to Georgian Bay ports. This the government consider a little too high and are seeking to cut down without doing an injustice to the company, fixing it at somewhere between 3 and 4½. The rate last season for wheat was from 3 to 5½ cents. The fixing of the price would be for export wheat. Little of the new crop has started to move yet, but will very shortly, between Sept. 21 and 25.

In the meantime the high rates on ore continue, and the company, as has been stated, can get "three cargoes for every bottom available." So great is the rush of other freight that the boats will keep an hauling it until late October.

TORONTO TERMINALS CO.

The annual meeting of the directors and shareholders of the Toronto Terminals Railway Company, a more or less formal affair, was held at Montreal this week. The following directors and officers were elected: Sir George Bury, T. G. Ogden and E. W. Beatty, K.C., representing the Canadian Pacific Railway Co.; Howard G. Kelly, J. E. Dalrymple and U. E. Gillen representing the Grand Trunk Railway Co. Howard G. Kelley, President; Sir George Bury, Vice-President; Henry Phillips, Secretary; H. E. Suckling, Treasurer; W. H. Ardley, Auditor, and J. W. Leonard, General Manager. Good progress was reported on the construction of the new Union Station building, which has proceeded as rapidly as supplies of construction material will permit.

ELECTRIC RAILWAYS

The Depression of the Market for Public Utility Stocks is Being Continued.

While the week's trading in the electric railway and other public utility stocks have been very narrow and the volume of the business small, there has been evidence of the continuance of that pressure which has been noted for some months. This has been particularly noted with the best of the Canadian propositions. On the other hand there have been some bright spots in the American group which seem to reflect an improved attitude on the part of the public—at least in some localities. In Canada the public ownership spirit is in the air and there seems to be small prospect that, under the circumstances, the utilities will be able to recoup themselves for the extra expenses they are bearing as the result of costly labor, material, etc.

In the Niagara Hydro situation there have been no developments of importance. It seems likely that the final passing of the consolidated Railway Act with amendments, giving municipalities the right to control their thoroughfares, will not get through the Senate at the present session. This particularly bears upon the Toronto situation. Further action has been taken with regard to the exportation of Canadian power to the United States, and Sir Henry Drayton has been appointed to investigate the situation.

ILLINOIS TRACTION.

The future earnings of Illinois Traction company will depend to a great extent, the net earnings at all events, on the action of the Public Utilities commissions and the Interstate Commerce commission on the applications that have been made by the various constituent companies for the right to increase their charges on the electric lines, and for the gas, electric light, power, etc., supplied under the several charters. THE FINANCIAL POST is informed on reliable authority that if the increases that have been prayed for are allowed the earnings of Illinois Traction will be increased by $400,000 in a single year. Already several of the forty-nine component properties of the company have been granted the right to increase rates. The gross earnings of the company last year were $12,566,447.

DULUTH-SUPERIOR.

The Duluth-Superior Traction company reports gross earnings for the last ten-day period in August amounting to $43,978, which compares with $39,332 for the corresponding period in 1916, an increase of $4,645 or 11.8 per cent. For the month of August the earnings were $138,733, an increase of $12,800 or 10.2 per cent., while for the year to date the earnings amounted to $1,036,269 compared with $897,457 for the same period a year ago, an increase of $138,811 or 15.5 per cent. For the month of August the figures are as follows:—

August	1917	1916	In.	%
1st week...	$32,371	$28,564	$3,806	13.3
2nd week..	30,783	30,604	178	0.6
3rd week...	31,600	27,430	4,169	15.2
Remainder of month ...	43,978	39,332	4,645	11.8
Month ...	$138,733	$125,932	$12,800	10.2

DEMERARA ELECTRIC.

The last statement of earnings for the Demerara Electric company shows about $5,000 net; the best for some time, observes THE FINANCIAL POST'S Halifax correspondent. Were this rate to be kept up for the year there would be a handsome margin for dividends on the stock. Holders of the securities in Halifax feel that ere long the payment of dividends should be resumed. The great trouble with the Demerara Electric has been the tremendous cost of fuel, but this difficulty is being gradually overcome. The wood supplying districts have become more distant and freights higher. The cost of wood fuel is more than that of coal was before the war, but it is not half of what the charge for coal is to-day. The company is buying lumber areas from which to cut its own fuel supplies. The financing is highly satisfactory as to bonds and a 7 per cent. note issue, and as already remarked, the hope is entertained that in the not distant future there will be a resumption of dividends on the stock.

OXFORD ELECTRIC.

The Oxford Electric company, operating at the town of that name some thirty or forty miles from Amherst, N.S., has just made an application to the Public Utilities board for authority to issue an additional amount of $10,000 bonds, which would make a total of $60,000, reports THE FINANCIAL POST'S Halifax correspondent. The common stock of the company is $50,000 and no request is made for any increase in this, the new bonds to go on their own merits, without the extra inducement of a stock bonus. The purpose of the new issue is to furnish funds for an extension of the company's lines to Oxford Junction, to supply current for industrial and lighting purposes at that point and for other improvements. The company met with no opposition to its application. It is a hydro-electric concern and its rates are claimed to be the lowest in Nova Scotia. The charge to the town for 60-watt street lamps, for instance, is only $8.00 per year. The company is leaving itself in the hands of the public utilities board in this matter, but, as it is, the net earnings are much in excess of the bond interest requirements.

TRINIDAD ELECTRIC.

Gross earnings of the Trinidad Electric company for the month of July amounted to $22,390 compared with $21,507 for the same month in 1916, an increase of $883, or 4.1 per cent. Net earnings for the month showed a decrease of $135, the figures for July this year being $8,102 against $8,237 for July a year ago. Following are the gross and net earnings for July for the past five years:

	Gross.	Net.
1913.............	$19,980	$8,208
1914.............	20,998	9,049
1915.............	20,830	8,002
1916.............	21,507	8,237
1917.............	22,390	8,102

B. C. ELECTRIC.

The controversy between the officials of the B.C. Electric Railway and the authorities of Vancouver, Victoria, and other municipalities served by the system continues. City Solicitor Hannington, of Victoria, has made a number of charges against the company and to these reply has been made by E. D. Goward, manager of the company on Vancouver Island. Mr. Goward makes the point that the company's charter, referred to by Mr. Hannington as "iniquitous," was entered into by the city council with the full approval of a big majority of the ratepayers and not through any unfair pressure on the part of the company. To the charge that the press has been subsidized by the company, Mr. Goward points out that public opinion as represented by the Board of Trade, and other bodies was for the passing of the by-law. On the strength of the passing of this by-law the company had spent large sums of money on new development work and extension of lines; in all the sum of between $7,000,000 and $8,000,000 had been spent in the few years succeeding the passing of the by-law. Mr. Goward also replied to the charges that salaries were largely responsible for the higher overhead charges. He contended that the overhead charges referred to consisted very largely of taxes paid to the city and that outside of these taxes the charges were very reasonable.

WINNIPEG ELECTRIC.

The question of jitney competition with the street railway system in Winnipeg continues to attract considerable attention. The city appears to be in a quandary. Having in the first place courted and encouraged the jitneys now finds itself unwillingly countenancing a combine of doubtful quality and value which threatens to destroy the utility which has not only been efficient but has been the means of providing considerable revenue. H. E. Morton writing in the Canadian Municipal Journal states that it is yet to be proved that the Winnipeg Electric system is one iota behind that of any other city on the North American continent or indeed that of any other city in the world. It is pointed out that the company has assumed a charge of $1,620,000 for street improvements and is paying the city annually taxes of $90,000, licenses, $6,500 and 5 per cent. on earnings, a total of over $200,000.

Recent reports would seem to indicate that the by-law placing the jitney service on an organized basis may prove a blessing in disguise so far as the company is concerned. The by-law requires each car to be covered by bonds which will guarantee $200 for property damage, $1,000 for personal injuries to a individual and a maximum of $5,000 for anyone accident. The price quoted on such a bond or accident policy is said to be $146 per year and on a total of 556 cars it would be over $80,000. The immediate outlay of $146 is said to be beyond the reach of many car operators. It is believed that a large number of the drivers will go out of business when the by-law comes into effect on September 20, and the remainder do not appear to be at all sure that they will be able to secure bonds satisfactory to the city.

After holding at 47 for some days Winnipeg Electric has recently showed a slip of 2 points to 45.

BARCELONA TRACTION.

When Barcelona Traction closed last week with sales at 10½, it touched the lowest point since the middle of June, the high point in the interval having been 11½. Late quotations are 10¾ asked and 10½ bid. Conditions in the company's field continue to be very unsettled and the future is very uncertain.

BRAZILIAN TRACTION.

Brazilian Traction suffered with the general weakness of the market this week, selling down as low as 38⅞, the lowest point since the 1st of August. There has been no special news recently regarding the company's operations and conditions are believed to be much the same as for some weeks. Increasing costs of production and operation are showing their effect upon earnings despite splendid gross receipts.

DETROIT UNITED.

Detroit United stock has been fairly strong this week with a range of 107 to 107½, whereas last week as low as 106 was recorded. This strength in the face of the general investment situation and the conditions prevailing in the traction field, must be regarded as indicating that the company is in a particularly good position as regards revenue.

DULUTH-SUPERIOR.

Duluth-Superior stock showed some further improvement this week when the price moved up to 45½. This is evidently due to the dividend resumption and to the realization of the fact that the company is in a very strong position as regards earnings and reserves, despite generally unfavorable conditions in the public utilities field.

QUEBEC RAILWAY.

Quebec Railway showed some recuperative power early in the week when it went as high as 19, but later is reverted to 17, which compares with the low point of the year 16½, recorded last week. It is announced from Ottawa that the Government has decided that there will be no new deal for the taking over of the Quebec and Saguenay line this session. Capital gossip is to the effect that the railway interests are unwilling to go ahead and complete the deal unless the terms as arranged by the Government representatives and the company are carried out. Otherwise the company may decide to hold the road and continue to assume the financial responsibilities involved. The situation is further complicated by the fact that the Government has already taken over the system and is said to have spent $750,000 upon it.

TORONTO RAILWAY.

An early meeting of the directors of the Toronto Street Railway Company is being awaited with interest by the shareholders of the company because at this meeting the proposals for the settlement of the trouble between the company and its employees will be considered and some decision reached. In view of the uncertainty and the large sum involved in the increases proposed, there was some relief felt by the shareholders when the directors recently declared the regular quarterly dividend at the rate of 8 per cent. per annum. Not only is there the question of increased pay for the men to be taken into consideration in this connection, but also the fact that there are heavy obligations coming due which may involve some problems of finance under the prevailing conditions.

NORTHERN OHIO.

The Northern Ohio Traction Company has applied to the Public Service Commission for the right to increase power charges and passenger fares. The new basis is, if allowed, would mean 2 cents per mile for passengers and an increase of about 20 per cent. in power rates.

WEST INDIA ELECTRIC.

A dividend of 1¼ per cent. has been declared by the directors of the West India Electric Company. The dividend is payable October 1st, to holders of record September 22nd. Books are closed 24th September to October 1st inclusive.

TWIN CITY.

Twin City common was somewhat weaker this week, selling down to 83½. This is the lowest point of the year. The opening in January was at 94 and the declines have been noted steadily ever since. Since June the best price has been 88, which was maintained until last week.

LIGHT AND POWER

LAURENTIDE POWER.

The statement of Laurentide Power Co. for July and the first seven months of the year to date is a very encouraging one for the investors, and prospects for the future are quite bright. The gross earnings for July were $55,611 as compared with $35,282, a year ago, and net profits of $19,276 as against $3,534 for July, 1916. The gross earnings for the year up to the end of July were $366,495, an increase of $202,763, or 126 per cent. The net earnings stand up almost as well, showing an increase of 122 per cent. which is a particularly gratifying exhibit in these days of constantly increasing costs of operation, where the market price of the product cannot always be regulated by the cost of turning it out.

The figures for the seven months compare as follows:—

7 mos.	1917	1916
Gross earnings...	$366,495	$161,732
Expenses	41,790	16,318
Net earnings....	$324,704	$146,414
Bond interest ..	218,750	29,097
Net income	$105,954	$117,316

Shawinigan takes most of the output of the Laurentide Power Co.

KAMINISTIQUIA POWER.

At Fort William the ratepayers will next week vote upon the acceptance of hydro-electric service for city power in place of the renewal of the agreement with the Kaministiquia Power Company. W. A. Black, managing director of the Kaministiquia Power Company, has pointed out to the council that his company's present rate of $21 per h.p. compares favorably with the hydro-electric estimate of $24.04. The hydro-electric proposal is a co-operative scheme, the rate to be determined by working conditions and actual cost. In the case of other municipalities using the hydro power this has sometimes proved slightly better than the estimate. However, the advantage seems to be materially in favor of the company proposals.

CALGARY POWER.

The difficulties of public utility companies in maintaining their profits in the face of the advancing costs of production and distribution, and with no advance in rates, are reflected in the annual statement of the Calgary Power Company presented to the shareholders this week. Gross receipts were off $22,631 and net profits $20,100 as compared with last year. However, the 1916 profit was nearly two and a half times that of 1914. The company's contract with the city of Calgary expires in December, 1918, and the city has to the 1st of December this year an opportunity to exercise an option to renew for a period of five years. There is every likelihood of a test of strength between the company and the city on the point of a renewal or a new agreement. The report is reviewed at greater length elsewhere.

SHAWINIGAN.

The general tendency of the investment market, and more particularly as applied to public utility securities, is shown in the fact that Shawinigan this week declined to 118¼, being the low mark for that stock for the year. In January the price opened at 130.

CIVIC INVESTMENT.

Civic Investment, like many other public utility stocks, has declined under the recent pressure and has touched as low as 73. It has been gradually adjusting itself to the weaker investment situation since the first of the year, when it was selling around 82 and slightly better.

OTHER STOCKS

Trading Continues Very Heavy Without Any Material Change in Prices.

The week has been marked by a dragging and ragged market with the volume of business about at the minimum. Price changes have not been very important, but the whole tone of the situation has been weak. Further readjustments have been taking place in New York, but they have not been reflected in the Canadian market to any great extent. In fact the local exchanges show such a small volume of business that they do not indicate any particular influences. Nor is there confidence among the traders that there will be a revival of market interest in the near future. Money is scarce and interest rates show a tendency to rise. The result is that security values on the whole tend to lower levels while trading operations are restricted to the minimum. Such conditions are likely to continue at least until after the proposed Dominion loan has been floated. Outside conditions have not been favorable to the markets. The Russian situation has had a depressing effect in New York, although, as previously stated, the effect in the domestic situation was almost negligible as regards prices. The advances of the August movement have been lost and the market is in the rut again.

AMERICAN CYANAMID.

In a report dealing with problems relating to the mineral industry of Canada, W. J. Dick, mining engineer, Commission of Conservation, points out that the only plant in North America manufacturing fertilizer in which the maximum content is derived from the air, is that of the American Cyanamid Company at Niagara Falls, Ontario. When established in 1909, this plant had a capacity of 12,000 tons per annum; this was later increased 64,000 tons. Electric energy continuously used at the plant is approximately 30,000 h.p., the greater portion of which is used in the manufacture of calcium carbide. In the past practically the whole production of this plant has been exported to the United States and her insular possessions, where it was used in the manufacture of so-called complete fertilizers. Shipments increased from 1,450 tons in 1909, to 27,400 tons in 1913. The average value of Canadian cyanamid exported to the United States during 1914 was $61.27 per ton.

A. MACDONALD.

After declining to 13½ a week ago, there were no further sales in A. Macdonald common. Since then the quotations have been 15 asked and 13 offered.

It is reported that practically no inconvenience will be caused to Western wholesalers and retailers by the ban on the selling of canned goods announced by Food Controller Hanna. The ban is lifted in the West on Oct. 1, and new shipments of canned corn, tomatoes, etc., do not arrive until nearly the close of September.

B. C. PACKERS.

Reports from British Columbia continue to be of a rather dark nature. There is every evidence that the pack this year will be far lighter than early expectations suggested. Especially is this the case in the better grade of fish. The Sockeye and Cohoe pack is where the greatest shortage will be felt. In the case of pinks and chums, the pack has been much better, in fact, if present conditions maintain, it is likely that the packers will be able to make a full delivery in these lines.

There were no sales in this stock during the week, 43½ was the last price noted for the common.

Despite the fact that freight rates have risen from about $3.60 to $60 per ton, there is still a strong export demand for salmon, and it is stated that foreign shipments from the Pacific coast will total about 200,000 cases.

There have been no transactions in the company's securities recently. Quotations indicate 45 asked for the common without offers, as compared with last sales at 43½ about a week ago.

CANADA CEMENT.

Canada Cement common held its position well on the stock market this week until the late trading, when the general weakness of the situation seemed to have its effect, the price declining to 61 after having been as high as 62¼ on Monday. Trading was of small proportions. The preferred was as low as 90 mid-week but strengthened to 91½.

CANADIAN GENERAL ELECTRIC

Canadian General Electric common continues as one of the strong performers on a generally weak market. On a fair volume of trading this week the price touched 105 practically every day, which is two points above the level at which it sold during the erly part of August. It is understood that the company's munitions activities are on the large shells for which additional orders are being placed and upon which business is assured for some time to come.

CARRIAGE FACTORIES.

A transaction in Carriage Factories common this week at 20 represented a decline of a couple of points from the last previous. The stock has had a varied career this year. From 25 in January it dropped to 9 in June but showed improvement to 22 in August.

CITY DAIRY.

While the City Dairy Company is naturally directly concerned in the market price for milk, the officials of the company have not as yet given specific attention to the demands of Toronto Milk Producers' Association for an increase of 50 cents per eight gallon can. C. B. McNaught, the president of the company, informs THE FINANCIAL POST that for the time being the matter does not affect the cost of the supplies of City Dairy because its contracts do not expire for some time, and there will be no change while the contracts continue. Mr. McNaught states that the affairs of the company are making satisfactory progress and that he is satisfied with the profits which have been made for several months past.

CANADA BREAD.

So far as the bakers are concerned the announcement of the fixed price for wheat does not appear to have altered the opinion that this will not have any material effect upon profits. The fact that the price of flour will be on a settled basis will naturally remove the element of speculation so far as the bakers' raw material is concerned, but while this may mean a reduction of profits it will also remove a factor of possible loss. So far as the Canada Bread Company is concerned, Mark Bredin informs THE FINANCIAL POST that the action of the authorities in fixing the market should be advantageous rather than otherwise. He does not expect to see the company's profits reduced, but on the other hand the market should become more settled. His attitude would appear to indicate that so far as the Canada Bread Company is concerned, speculative gains in discounting market developments have not played an important part in the company's profits. Furthermore, Mr. Bredin does not expect that the price fixing will have any marked effect upon the price of bread. He points out that if the price of flour is affected to the extent of $1 per barrel, it will only mean about half a cent a loaf on bread. Such a reduction in the cost of material would not be a great influence in the present situation, as other factors of cost in bread production showing steady increases. Mr. Bredin reports that it will still be a week or so before the company's annual statement is ready for presentation to the shareholders.

DOMINION CANNERS.

The exceptionaly cool weather is not making the canning situation any brighter. While no serious results have been noted as yet, the excessively cold nights is retarding the development of all the canning products, and is rendering them so much the more liable to frost. Peaches and pears have not been ripening as they should, and the same is true of tomatoes, while of course present temperatures are anything but favorable to corn. All of which tends to make the canning situation all the more uncertain.

The order in council restricting consumption has had some effect too. It has not only curtailed all trading in the prohibited lines, but, owing to the uncertainty as to what was actually prohibited, has led many grocers to refuse to sell lines such as pork and beans, baked beans and canned soups containing vegetables, that were in no way forbidden by the canned goods order. The Dominion Canners have been circularizing the trade of late calling their attention to the lines not affected by the embargo.

There has been no activity in the stock for some time past, the last sale being at 22 for the common, and 75 for the preferred.

LYALL CONSTRUCTION.

The action of the directors of the P. Lyall & Sons Construction Company at the beginning of the week in declaring a dividend of 2 per cent. quarterly on the common, payable Oct. 15 to holders of record Oct. 5, has aroused a great diversity of opinion. A meeting had been called over a month before for discussing a dividend, but this had been postponed, and in the interval came the official announcement from Ottawa that munition orders were to be reduced greatly. Lyalls have orders on hand for some months, as was stated last week, but traders could not figure out where the future profits were to come from that would ensure a continuance of such a high initial dividend. It is known that the construction business of the Lyall company naturally holds out little prospect of immediate enlargement.

On the other hand the statement of the company for the year ending

Continued on page 6.

Pickering Sand and Gravel Company, Limited

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 28th day of August, 1917, incorporating William Francis Curran Sellers, secretary, David John Gibson, real estate broker, Robert Errett Grass, Esquire, Norman John Schell, life insurance broker, and Ethel Mary Moore, stenographer, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire by purchase, lease, concession, license, exchange or other legal title, sand and gravel lands or any interest therein; (b) To construct, maintain, alter, make, work and operate on the property controlled by the company, buildings, tramways, dams, roads, shops, mills and other works and machinery, plant and appliances of every description; (c) To buy, sell, manufacture and deal in all kinds of goods, stores, implements, chattels, and effects required by the company and its servants or workmen; (d) To quarry or dig for and sell all kinds of sand, gravel and stone; (e) To manufacture and sell all kinds of cement; (f) To carry on any other business capable of being conveniently carried on in connection with its business or calculated directly dr indirectly to enhance the value of or render profitable any of the company's property or rights; (g) To acquire or undertake the whole or any part of the business, property or liability of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of the company; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To enter into any arrangement with any authorities, municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such authorities any rights, privileges and concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges or concessions; (j) To do all or any of the above things as principals, agents, contractors or otherwise and either alone or in partnership or in conjunction with others; (k) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Pickering Sand and Gravel Company, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 30th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

B. N. DAVIS & GRASS,
Continental Life Bldg., Toronto,
Solicitors for Applicants.

National Trust Company Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending September 30th, at the rate of

TEN PER CENT. PER ANNUM

has been declared upon the capital stock of the Company, and that same will be payable on and after October 1st, 1917.

The Transfer Books will be closed from the 20th to 30th September, both days inclusive.

By order of the Board.

W. E. RUNDLE,
General Manager.

Toronto, September 5th, 1917.

The Canadian Annual Review, Limited

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Frederick Egbert Earl, accountant, Jim Weir McFadden and Charles Brotchie Nasmith, barristers-at-law, and Beatrice Scheurer and Ethel Vivian Smiley, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To carry on a general publishing business as proprietors, publishers, editors, printers, binders and illustrators of and dealers in publications and literary undertakings of every description and to transact all kinds of business or adventure, and all such things as are incidental thereto or connected therewith; (b) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of this company; (c) To acquire or take over as a going concern the business now carried on by the "Annual Review Publishing Company, Limited," a company incorporated under the Ontario Companies Act and all or any of the property, assets and liabilities of the said last-mentioned company in connection therewith, and with a view thereto to enter into such contracts and agreements to carry the same into effect as may be necessary; (d) To hold shares in any other company and to enter into any arrangement for sharing profits or for any other purpose with any person or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any similar business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (e) To promote any company or business for the purpose of acquiring all or any of the property and liabilities of this company; (f) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business, and in particular any land, buildings, easements, machinery, plant and stock-in-trade; (g) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined and to make advances to such persons and on such terms as may seem expedient and in particular to customers, agents and others having dealings with the company and to guarantee the performance of contracts by any person; (h) To draw, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (i) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, bonds, debentures or securities of any other company having objects altogether or in part similar to those of this company; (j) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the company's capital or any debentures or other securities of the company in or about the formation or promotion of the company or the conduct of its business. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Canadian Annual Review, Limited," with a capital stock of seventy-five thousand dollars, divided into 750 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

WINNIPEG SALES BOOK COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Leslie McPhail Appleford, of the City of Hamilton, in the Province of Ontario, manufacturer; William Symon Morlock, James John Maclennan, Anthony L'Estrange Malone, Reginald Holland Parmenter and John Noble Black, gentlemen, of the City of Toronto, in the said Province of Ontario, for the following purposes, viz:—(a) To publish, print, bind, manufacture, issue, purchase, sell, deal in and otherwise turn to account, books, magazines, publications, newspapers, pamphlets, counter check books, bond books, account register systems and forms in connection therewith, loose leaf systems, binders, food products wrappers, plain and printed paper wrappings, paper bags, twines, shipping tags, stationery of all kinds, carbon papers, waxed and saturated papers, typewriting supplies, maps, charts, engravings, lithographs, etchings, wood-cuts, electrotype pictures and illustrations, whether covered or without cover, and by whatsoever process or processes the same may be produced, whether now existing or hereafter to be discovered or invented, and generally to carry on the business of printers, binders, lithographers, electrotypers, stereotypers, engravers, die sinkers, embossers, manufacturers and publishers, and to carry on a general advertising business as advertising contractors and agents; (b) To acquire, enter into and take over contracts of every description and to transfer, assign and otherwise dispose of any contracts or undertakings of the company in whole or in part, and to enter into, carry out, perform and sublet contracts for doing work and supplying material in connection therewith; (c) To acquire, construct, manufacture, build, maintain, hold and operate all and appliances necessary or convenient for the proper carrying on of any of its under- stock-in-trade, plant, machinery, equipment takings and for this purpose to also apply for and acquire patent rights, patents of inventions, licenses, secret processes, copyrights, trade-marks, and to use, exercise, develop and grant licenses in respect thereof or otherwise to turn the same to account; (d) To buy, sell, manufacture, repair, alter and exchange, let or hire, import, export, manipulate, prepare for market and deal in all kinds of goods, chattels, wares and merchandise which may be required for the purposes of any of the said businesses or commonly supplied or dealt in by persons in any of the said businesses or which may seem capable of being properly dealt with in connection with any of the said businesses; to acquire, purchase, hold, lease, sell, assign and convey any real estate requisite for the carrying on of the undertaking of the company; (e) To purchase, take over or acquire by original subscription or otherwise, and to hold, sell, assign, transfer or otherwise dispose of or deal in the undertakings, shares, bonds, debentures, securities or evidences of debt created by any other corporation, and while owner of such shares of stock to exercise all the rights, powers and privileges of ownership including the right to vote thereon, notwithstanding the provisions of section 44 of the Companies Act; (f) To purchase and acquire any business of a similar nature and to purchase and acquire any interest or control in any business of a similar nature to that which this company is authorized to carry on, and to pay for same in whole or in part in cash, bonds or paid-up stock of this company; (g) To aid in any manner any corporation, any of whose shares of stock, bonds or other obligations which are held or are in any manner guaranteed by this company, and to do any act or thing for the preservation, protection, improvement or enhancing of the value of any such shares of capital stock, bonds or obligations, and to do any and all acts and things tending to enhance the value of any of the property at any time held or controlled by this company; (h) To sell, lease or otherwise dispose of the undertaking and assets of the company hereby incorporated or any part thereof, for such consideration as the company may think fit, including the shares, bonds, debentures or securities of any other company having objects similar in whole or in part to those of the company hereby incorporated; to receive and accept bonds, debentures, or other securities in payment in whole or in part for work done and material supplied in connection with the business of the company, and to pay for any property purchased by the company by the issue of paid-up stock or bonds of the company or partly in stock and partly in bonds; (i) To enter into partnership or any arrangement for sharing of profits, union of interests, cooperation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (j) To invest and deal with the moneys of the company not immediately required in such manner as from time to time may be determined; (k) To distribute among the shareholders of the company in kind any property or assets of the company and in particular any shares, debentures or securities of any other company or companies which they may have purchased or taken over, either in whole or in part, the property, assets or liabilities of this company; (l) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property, undertaking and rights of the company for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of the Companies Act, for shares, debentures or securities of any other partnership, association or company having objects altogether or in part similar to those of this company; (m) Notwithstanding the provisions of section 44 of the Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein, and to apply or to accept in whole or in part as consideration or satisfaction or the security for any contract, indebtedness or obligation to or of the company, property obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon and to apply or to accept as security for any indebtedness of the company mortgages on lands or chattels upon such terms as may be agreed upon; (n) To amalgamate with any other company or companies having objects similar to those herein enumerated; (o) To enter into any arrangement with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (p) To do all or any of the matters hereby authorized either alone or in conjunction with or as factors or agents for any other companies or persons, or by or through any factors, trustees or agents; (q) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the above or any portion thereof, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (r) The objects specified in each paragraph hereto shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Winnipeg Sales Book Company, Limited," with a capital stock of ten thousand dollars divided into 100 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

Malone, Malone & Long, 85 Bay St., Toronto, Solicitors for Applicants.

SIXTH ANNUAL REPORT
OF THE
CANADIAN LOCOMOTIVE COMPANY, LIMITED

Balance Sheet at 30th June, 1917

CAPITAL AND LIABILITIES.

Capital Stock:—			
Authorized: 35,000 Shares of $100 each	$3,500,000.00		
Issued in:			
15,000 7% Cumulative Preference Shares, fully paid		$1.500,000.00	
20,000 Ordinary Shares, fully paid		2,000,000.00	
			$3,500,000.00
First Mortgage 6% Forty-Year Gold Sinking Fund Bonds, due 1st July, 1951:—			
Authorized	$2,000,000.00		
Whereof issued		$1,500,000.00	
Add: Interest accrued thereon (paid 1st July, 1917)		45,000.00	
			1,545,000.00
Current Liabilities:—			
Trade Accounts payable and Wages accrued and due		$528,267.61	
Dividend No. 22 on Preference Shares for three months to date, (paid 1st July, 1917)		26,250.00	
			554,517.61
Reserves:—			
General Depreciation		$350,000.00	
Amortization of expenditure on Munition Equipment		65,000.00	
Special Replacement		140,000.00	
Sinking Fund		30,881.44	
			585,881.44
Profit and Loss Account:—			
Balance at credit thereof, per Account No. 2			690,577.32
			$6,875,976.37

ASSETS.

Fixed Assets:—			
Real Estate, Buildings, Plant, Equipment and Good-will:			
Balance, per Balance Sheet 30th June, 1916		$5,435,329.23	
Additional net expenditure during year to date, at cost		59,742.63	
			$5,495,071.86
Sinking Fund Investment Account: $16,200.00—			
Company's First Mortgage Gold Bonds purchased and held by Trustees, cost	$15,333.52		
Add: Interest accrued thereon to date	486.00		
		$15,819,52	
Cash in hands of Trustees		61.92	
Cash payable to Trustees on or before 1st July, 1917		15,000.00	
			$30,881.44
Current Assets:—			
Work-in-Progress, at cost		$513,131.21	
Materials and Supplies at cost		347,422.01	
Trade Accounts Receivable, Less Reserve for Bad Debts, Allowances, etc		301,729.36	
Officials' and Employees' Balances		1,031.35	
Cash in Banks and on Hand		177,615.31	
			$1,340,929.24
Deferred Charges to Operations			9,093.83
			$6,875,976.37

To the Shareholders of the Canadian Locomotive Company, Limited, Kingston, Ontario:

We report to the Shareholders of the Canadian Locomotive Company, Limited, that we have examined the books and accounts for the year ending 30th June, 1917, and that all our requirements as auditors have been complied with.

We hereby certify that the attached Balance Sheet at 30th June, 1917, is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 30th June, 1917, according to the best of our information and the explanations given us, and as shown by the books of the Company at that date.

GEORGE A. TOUCHE & COMPANY, Chartered Accountants, Auditors.

Toronto, 4th September, 1917.

Profit and Loss Account for Year Ending 30th June, 1917

Profit from operations for year ending 30th June, 1917, after charging Profits War Tax, and all special charges and allowances, etc., other than Bond Interest and Depreciation		$721,254.90
Deduct: Interest on First Mortgage Bonds	$90,000.00	
Sinking Fund Provision	15,000.00	
		105,000.00
		$616,254.90
Add: Balance at credit 30th June, 1916, brought forward		304,322.42
		$920,577.32
Appropriated as follows:—		
Dividends on Preference Shares for year:		
No. 19	$26,250.00	
No. 20	26,250.00	
No. 21	26,250.00	
No. 22	26,250.00	
		105,000.00
		$815,577.32
Transferred to Reserve for Special Replacements	$ 25,000.00	
Transferred to Reserve for General Depreciation	100,000.00	
		125,000.00
Balance at credit at 30th June, 1917, carried forward		$690,577.32

To the Shareholders

Your Directors submit herewith statement of the Assets and Liabilities and Profit and Loss Account as at the 30th June, 1917.

Manufacturing Profits from Operations for the year ending 30th June, 1917, after charging Profits War Tax		$721,254.90
Deduct: Interest on First Mortgage Bonds	$90,000.00	90,000.00
		$631,254.90
Add: Balance at credit at 30th June, 1916, brought forward		304,322.42
Appropriated as follows:—		$935,577.32
Dividends on Preference Shares for year:—		
No. 19	$26,250.00	
No. 20	26,250.00	
No. 21	26,250.00	
No. 22	26,250.00	105,000.00
		$830,577.32
Transferred to Reserve for Special Replacements	$ 25,000.00	
Transferred to Reserve for General Depreciation	100,000.00	
Sinking Fund Provision	15,000.00	140,000.00
		$690,577.32

The increase in our profits for the year under review is due entirely to the extra production of our plant, both in locomotives and munitions.

The increase in the property account of $59,742.63 is the normal increase necessary to keep pace with the growing business.

We have taken the sum of $125,000 from our profits and added $100,000 to Depreciation Reserve Account, and the sum of $25,000 for Special Replacement.

The result of this year's operations is most gratifying, the net profits on our business being 25 6/10% in excess of those of any previous year since the organization of the Company.

Following the precedent of reviewing the profits year by year, commenced in our last year's report, we again repeat it:—

For the year ending 30th June, 1912	$326.380.43
" " " " " 1913	396,886.02
" " " " " 1914	342,057.25
" " " " " 1915	134,613.89
" " " " " 1916	574,211.78
" " " " " 1917	721,254,90
which you will observe makes an aggregate sum of	$2,495,404.27

or an average net earning of $415,900.71 per annum.

This year the labor problem has not been a serious one with us, as we have been able to secure all the labor required, and our employees have backed up the efforts of our management in a most loyal and satisfactory manner, the result of which is shown in the large increase in our output and profits, with comparatively little addition to the plant account.

The prospects for the coming year are most encouraging. We have contracts for locomotives and locomotive parts amounting to $3.925.400, and contracts for munitions amounting to $199,600, thus showing a total amount of work ahead of $4.125.000, all placed at satisfactory prices.

The class of work we have been turning out has been most satisfactory, and we feel assured, from the present outlook of the locomotive situation in Canada, that our plant will be kept fully occupied for some years to come.

Yours faithfully, ÆMILIUS JARVIS, President.

NEWS OF SECURITIES

Continued from page 5

March 31 last showed a most prosperous condition of affairs. The earnings of 1916 were $234,644; those of the corresponding period of 1916-17 were $915,500, and this after deducting rent, insurance, taxes, general expenses, etc. Out of this amount there was $625,000 allowed for the "amortization" of the munition plant, and it was stated after the meeting of Monday that a further sum of $819,286 has been written off since, out of the profits on munitions of the past five months or so. This practically scraps the plant so far as allowing any value for it as an asset is concerned, and places the company in a strong position of being down to "rock bottom" for all future operations. The later profits have done more; the bank loans which are said to have exceeded $450,000 at the end of the company's year are declared to have been reduced to about $125,000. The total surplus in the last report is given as $204,103 as compared with $115,203 at March 31, 1916. The stock consists of $1,300,000 preferred and $1,500,000 common. Dividends of $91,000 have been paid for the last three years on the preferred, being at the rate of 7 per cent. The 8 per cent. dividend that has been indicated by the initial declaration would call for an additional expenditure of $120,000 a year, or $30,000 a quarter.

The first movement of the stock since the declaration of the dividend was on Thursday, three days after that event. Then a few shares were sold at 62, which is five points below the point reached just before the meeting of the directors.

NATIONAL BRICK.

Reports from Montreal indicate that a reorganization of the National Brick Company is being considered. The bonds of the concern have recently been quoted on the curb at 25 to 30 and there is no market for the common stock. The company's affairs have been in bad shape since the outbreak of the war, when the market for construction materials was practically closed. An arrangement was reached with the bondholders by which a show-down has been postponed, 6 per cent. script certificates equivalent to the coupon payments from October, 1915, to April, 1918, being issued. It was hoped that in the interval there might be a change which would bring about more prosperous building conditions. However, the present outlook is that hopes for national improvement in the construction trades will have to be indefinitely deferred—at least until after the end of the war.

RUSSELL MOTOR.

Operations at the plants of the Russell Motor Car Co., are now being carried on, on a considerably reduced scale. This week the shell plant was closed down completely, while the fuse plant is being operated with a single shift, in place of the three shifts previously employed. No news whatever is given out regarding fresh contracts and it is understood that nothing has been closed in this direction as yet. Hopes are expressed that new orders will shortly be placed which will enable the management to resume operations on a larger scale. The annual report is in process of preparation but will not be ready for some weeks yet.

Stock Movements of the Week

This table records securities active on the Stock Exchanges.

Week ending Sept. 13:

							Range 1917 to Sept. 13	
Banks—	Ask.	Bid.	High	Low	Last	Sale	High	Low
Commerce	184¼	183	184	183½	183¾	47	188	183
Dominion	210	207	207½	207½	207½	5	212⅛	203
Imperial	...	194	197	196	196	22	200½	190
Merchants	...	170	170	169	169	3	170	167
Montreal	...	213	215	214	214	6	234	214
Nova Scotia	253	...	253	253	253	7	257½	252
Royal	212	210	210½	210	210	73	214	210
Toronto	...	190	190	190	190	2	192	187½
Union	141	139	140	140	140	4	142	136
Transportation—								
Barcelona	10¾	10½	10½	10½	10½	10	17	10½
Braz. Traction	39⅛	38¾	39½	38⅞	39½	715	47¾	37
Can. Steam., com	41¼	40¾	42¼	41¼	41¼	1,003	45⅝	29¾
Do., pref.	78	77	78¾	77⅝	78	456	93¾	76¼
Can. Pacific	155½	154½	156⅛	155¼	155¼	30	167½	149⅛
Detroit United	108	107	107½	107	107	393	128	106
Dul. Sup., com	..	45¼	45½	44	45½	11	51	40
Ill. Traction, pref.	...	83⅛	83⅛	82	83⅛	20	89	83
Que. Ry., L., H.	19½	18½	19	16½	17	280	35½	16
Toronto Ry.	75	73½	75	74	74¾	592	90½	73
Twin City, com.	85	84	84	83½	83½	40	95	84
Winnipeg Elec.	50	45	47	45	45	25	81	36
Telegraph, Light and Power—								
Bell Telephone	...	136½	137	137	137	26	150	136⅜
Consumers' Gas	150½	...	150	150	150	2	165½	150
Civic Int. Pr.	73⅝	73½	74¾	73	73	545	82⅞	73½
Mackay, com.	80	79	81¼	79	79½	163	90	79
Do., pref.	64	63	64	64	64	1	68	63⅞
Shaw. W. & P.	118½	118	119½	118¼	118¼	195	130	119
Industrials—								
Ames, Holden, com.	18	15½	15½	15	15½	100	23¾	14
Do., pref.	49½	...	50	49	50	55	61	48
F. N. Burt, pref.	88	...	88	88	88	19	93½	88¼
Can. Cement, com.	61⅛	60½	62¼	61	61	333	69⅞	56
Do., pref.	92	90	92½	90	91½	75	95¾	90
Carriage Fact., com.	22	20	20	20	20	5	25	9¼
Can. Car, com	31	29	30	29	29	90	46½	25¼
Do., pref.	70	65	66	64¾	64¾	170	89	59
Can. Cottons, com.	51	...	48	48	48	75	56	50
Do., pref.	76	...	76	75	76	54	82	75
Can. Found., com.	180	165	166	155	166	35	205	150
Can. Loco., pref.	86¼	83¼	86	86	86	5	91½	84
Can. Gen. El., com.	105	104	105	104⅛	104⅛	399	115½	100¼
Dom. Bridge, com.	145	142	145	140	145	120	170	125
Dom. Iron, pref.	92½	91⅜	92	90	91½	44	95	89
Dom. Steel Corp.	61½	61	62¾	61⅜	61½	1,540	71¼	52¾
Dom. Textile, com.	84	83	83½	83¼	83½	186	89	76½
Do., pref.	...	101	101½	101½	101½	20	105	99½
L. of Woods	...	...	...	...	...	....	130	124
Do., pref.	...	...	...	...	...	....	116	...
Lyall Cons.	70	61	70	58	62	575	80	53
Laurentide	...	170	170	170	170	112	195	170
A. Macdonald, com.	...	...	...	...	...	....	15½	8
Maple Leaf, com.	100	98	100¼	99½	100¼	122	115	90
Do., pref.	93	91½	92	92	92	10	103	91¾
Mons. Cot., com.	...	...	...	...	...	....	58½	49
Mon. Cot., pref.	...	99½	99½	99½	99½	5	103	99
Mon. Knit., com.	...	30	35	35	35	100	40	35
Do., pref.	...	...	...	...	...	....	81	80
Ont. Steel, com.	30	29⅞	33	20	30½	970	34	18
N.S. Steel, com.	95	91	95	92	92	530	128	...
Nat. Steel Car, pr.	...	27½	29	29	29	30	...	...
Ogilvie Flour, com.	153	150	154	151	153	22	150	137
Do., pref.	...	112¼	112¼	112¼	112¼	5	115	110
Pac. Burt, com.	...	...	...	...	...	....	40	28
Do., pref.	...	...	...	...	...	....	82	80
Penmans, com.	70	...	69	69	69	25	73½	69
Do., pref.	...	...	...	...	...	....	86	81½
Price Bros.	...	120	120	120	120	50	134	115
Riordon Pulp, com.	...	118	118	117⅛	117⅞	95	127	106
Span. River P., com.	17	16	16	15	16	251	19	12½
Do., pref.	52½	...	50	50	50	55	59¼	47
Steel of Can., com.	55¾	55¼	56½	55⅜	55¾	1,145	71½	52
Do., pref.	89½	88½	90	88½	88½	90	100½	89¼
Toronto Paper	75	...	72	72	72	30	90	72
Tuckett Tob., com.	...	21	21	20	20	50	22½	19
Do., pref.	...	80	80	80	80	5	83½	78
Stand. Chem., pr.	56	55	55	55	55	47	56	49
Wayagamack	...	54½	56	54	55	130	95	50

UNLISTED STOCKS.

	Bid	Asked
Abitibi, com.	52.00	58.50
Belding, Paul, com.	10.00	15.00
Black Lake, bonds	25.00	27.50
Brock, W. R., Co.	.....	100.00
Campbell Flour, com.	.....	55.00
Can. Machinery, pref.	43.00	46.00
Chapman Ball Bear.	85.00	.....
Cockshutt Plow, pref.	72.00	.....
Crossen Car, bonds	95.00	78.50
Dominion Canners, pref.	70.00	75.00
Do., bonds	88.00	91.00
Dominion Glass, com.	24.50	27.00
Dom. Perm. Loan	67.50	70.00
Dom. Power & Tran., com.	.....	59.00
Dunlop Tire, pref.	92.50	96.00
Eastern Car, pref.	.....	65.00
Goodyear Tire	180.00	200.00
Home Bank	63.50	66.00
Howard Smith, pref.	.....	77.00
Imperial Oil	385.00	398.00
Imperial Steel, pref.	.....	5.00
Lambton Golf Club	.....	390.00
London St. Ry. (par $40)	.....	36.00
Macdonald, pref.	83.00	87.00
Mex. Mahogany bonds	.....	57.00
Monarch Knit., pref.	.....	75.00
Nat. Drug, 7% pref.	90.00	.....
Nat. Telephone 5's	.....	85.00
Wm. Neilson, Ltd., com.	50.00	.....
Ontario Pulp, bonds	80.00	83.00
Penman, Ltd., 5's	.....	88.00
Penn. Water Power, com.	74.00	.....
Robert Simpson, pref.	.....	85.00
Sheldons, bonds, 6%	.....	95.00
Standard Reliance	94.00	98.00
Sterling Bank	88.50	92.00
Sterling Coal, 6% bonds	80.00	85.00
Trust & Guarantee	[illegible]	[illegible]
Wabasso Cottons, com.	[illegible]	[illegible]

YEAR'S INCREASE IN FIELD CROPS IS IN MILLIONS

Continued from page 1

the farmers well. The acreages in Canada are approximately 16,000, with a total likely yield of 120,000 tons. This adds about another million to Canada's field wealth this year. And Ontario is cleaning up one of the richest harvests in her history, although help is scarce and high in price. Threshing, silo filling and harvest clean-up are engaging almost their total attention now, so that little movement of wealth will take place for a few weeks.

U. S. Conditions Good.

The special report just issued from Washington places the corn crop at 3,248,000,000 bushels. Wheat has shown up better since the August report, now totalling 668,000,000 bushels, which is 28,000,000 more than in 1916, but 138 millions less than the 5-year average. In oats they will reap a bigger crop than ever before, with 1,533,000,000 bushels.

The Dairy Situation.

The milk producers have raised their prices from $2 to $2.50 per can. They find conditions of labor, cottonseed meal and other feeds have increased from 40 to 100 per cent., while this 60 per cent. increase in milk during the war is only legitimate. The higher price will hold many in the business who are inclined to quit, and will be the best means of insuring future supplies. Unfortunately some price fixers are believers in maximum prices instead of minimum prices. It will be poor economy to hamper production, as maximum price-fixing undoubtedly will. Fear of what may be done does more harm than the actual.

Miss Hind on the West.

Miss Cora Hind telegraphs to-day from Winnipeg as follows:

"Fixed prices for grain has been the event of the week in the West, and while undoubtedly there will be some objectors, speaking broadly, the price is a satisfactory one, giving farmers with even comparatively small crops a reasonable margin of profit; those with good crops a very large profit, and at the same time putting a price on flour, which is not too distressingly high. The crop is excellent in quality and the percentage of contract grades will be large. The crop is an easy one to handle, as there is no excess of straw and the cost of harvesting has been somewhat reduced by the number of men from the cities and smaller towns who have assisted with the stooking at the rate of 30 cents per hour, and have turned the money thus made into the Red Cross Funds. This work was well done, and at the price would not make more than $3 for a ten-hour day, certainly not excessive for labor in harvest time. Some of these men are also helping with the threshing, though threshing gangs are on the whole running short-handed rather than the wages demanded by foreigners.

Favors a Minimum.

"It is generally felt that the Government should follow the example of the United States and set a minimum for the crop of 1918 in order to stimulate production. The amount of land summer-fallowed is large, but if the farmers knew they were sure of a certain price for next year there would be a greater incentive to fall preparation of land. The experiences of the past year will check any tendency to seed on stubble without cultivation.

"The 'Free Press' estimate is out and runs to 214 millions for wheat, 194 millions for oats, 38 millions barley, and 9 million flax, with a value on the crop at the ratio of the fixed price of over 581 million dollars, while the value of the famous crop of 1915 was only some 502 million. These figures make pretty good showing for the West, and when to them is added the value of the livestock, dairy products and root crops, the West will have a return of over $700,000,000 from the farms in 1917. Livestock is extremely active at the present time, and receipts so heavy at the yards that it has not been possible to obtain the figures for August until now. Receipts of cattle for the eight months ending August 31 were 108,000 head, against 59,139 for the corresponding period of last year. Hog receipts for eight months were $247,808, as against 236,825 last year.

"Cattle receipts for August were 34,521 head, of which 6,174 were feeders. In all, 8,156 head of cattle went South, and of these 2,451 were feeders. Cattle are coming in in fine shape, and some of the young stuff, that would ordinarily be carried over another year is so fat that it is fetching high prices as baby beef. The receipts of hogs for August were 28,837, and as they averaged about $30 per head, the hog bill for the month was a tidy one.

DIVIDENDS DECLARED

Central Canada Loan & Savings Company

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO AND ONE-HALF PER CENT. (2½%) for the three months ending September 30, 1917, at the rate of TEN PER CENT. per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Monday, the 1st of October, 1917. The Transfer Books will be closed from the 17th to 29th of September, both days inclusive.

By order of the Board,
E. R. WOOD,
President.

The Canada Landed and National Investment Company, Limited

DIVIDEND No. 122.

NOTICE is hereby given that a DIVIDEND OF TWO AND ONE-QUARTER PER CENT. (being at the rate of nine per cent. per annum), on the amount paid up on the Capital Stock of this Company has been declared for the quarter-year to the thirtieth day of September, 1917, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the **first day of October, 1917**, to Shareholders of record at the close of business on the fifteenth day of September, 1917.

By order of the Board,
EDWARD SAUNDERS,
Managing Director.

Toronto, 28th August, 1917.

The Montreal City and District Savings Bank

NOTICE is hereby given that a dividend of two dollars and ten cents per share on the Capital stock of this Institution (55% paid up) has been declared and will be payable at its Head Office in this city on and after Monday, the first of October next, to Shareholders of record on the 15th day of September next, at one o'clock p.m.

By order of the Board,
A. P. LESPERANCE,
Manager.

Montreal, August 20th, 1917.

The Bank of Nova Scotia

DIVIDEND No. 191

NOTICE is hereby given that a dividend at the rate of fourteen per cent. per annum on the paid-up capital stock of this Bank has been declared for the quarter ending September 30th, and that the same will be payable on and after Monday, the 1st day of October, next, at any of the offices of the Bank.

The stock transfer book will be closed from the 17th to the 30th proximo, inclusive.

By order of the Board.
H. A. RICHARDSON,
General Manager.

Halifax, N.S., August 17th, 1917.

Laurentide Company Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend at the rate of 2½% on the capital stock of this company has been declared, for the quarter ending September 30th, 1917, payable on Tuesday, October 2nd, 1917, to shareholders of record at the close of business Friday, 21st of September, 1917.

By order of the Board.
W. F. ROBINSON,
Secretary.

Montreal, September 10th, 1917.

Montreal Tramways Company

INTEREST ON DEBENTURE STOCK

INTEREST for the half year at the rate of five (5) per centum per annum will be paid on the first day of October, to the registered holders of the Debenture Stock of the Montreal Tramways Company.

No transfer of the Debenture Stock of the Company will be registered during the fourteen days immediately preceding the first day of October, 1917, and the Transferees of all Debenture Stock of the said Company, which may be transferred on or after the 1st October, 1917, will be entitled to receive the interest accruing thereon from said date only.

PATRICK DUBEE,
Secretary-Treasurer.

September 8th, 1917.

Ottawa Light, Heat & Power Company, Limited

DIVIDEND No. 45.

NOTICE is hereby given that a quarterly dividend of 1½% (one and one-half per cent.), being at the rate of 6% per annum on the capital stock of this Company has been declared for the period ending September 30th, 1917, payable on October 1st, 1917, to Shareholders of record at the close of business on the 20th day of September, 1917.

The transfer books of the Company will not be closed.

By order of the Board,
D. R. STREET,
Secretary-Treasurer.

Ottawa, September 12th, 1917.

Tooke Bros., Limited

Preferred Stock Dividend No. 20

NOTICE is hereby given that a Dividend of 1¾% on the Preferred Stock of this Company has been declared for the Quarter ending 31st of August, 1917, payable on September 15th, to Shareholders of record of the 31st of August.

By order of the Board,
W. S. BARKER,
Secretary-Treasurer.

Montreal, August 17th, 1917.

Provincial Paper Mills Co., Limited

NOTICE IS HEREBY GIVEN that dividends of one and three-quarters (1¾%) per cent. on Preferred Stock, and one (1%) per cent. on Common Stock of this Company, have been declared for the current quarter, both payable October 1st, 1917, to shareholders of record at the close of business, September 15th, 1917.

By Order of the Board,
S. F. DUNCAN,
Secretary-Treasurer.

DATED TORONTO, September 6th, 1917.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND.

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th September, 1917, payable October 1st to shareholders of record September 15th, 1917.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal 29th August, 1917.

The Temiskaming Mining Company Limited

(NO PERSONAL LIABILITY)

DIVIDEND No. 23

NOTICE is hereby given that a dividend of three cents a share on the stock of The Temiskaming Mining Company, Limited, is declared, payable on the 24th day of October, 1917, to shareholders of record on the 5th day of October, 1917. Transfer books closed from October 6th to October 24th, both days inclusive.

By order of the Board.
R. GRAHAM,
Secretary.

The Huron and Erie Mortgage Corporation

QUARTERLY DIVIDEND No. 120

NOTICE is hereby given that a dividend of three per cent. for the quarter ending Sept. 30th, 1917, being at the rate of TWELVE per cent. per annum upon the paid-up Capital Stock of this Corporation has been declared, and will be payable at the Corporation's Office in this city on and after Monday, Oct. 1st, 1917, to shareholders of record at the close of business on Sept. 15th, 1917.

By order of the Board.
M. AYLSWORTH,
Secretary.

London, Canada, Sept. 4th, 1917.

Illinois Traction Co.

NOTICE OF DIVIDEND No. 51

THE regular dividend of one and one-half per cent (1½%) on the Preferred stock of the Illinois Traction Company will be paid October 1st, 1917, for the quarter ending September 30th, 1917, to shareholders of record September 15th, 1917.

By order of the Board.
GEO. M. MATTIS,
Treasurer.

Champaign, Ill.

The Molsons Bank

148th DIVIDEND

THE Shareholders of The Molsons Bank are hereby notified that a Dividend of TWO AND THREE-QUARTERS PER CENT. (being at the rate of eleven per cent. per annum) upon the capital stock, has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT,

to shareholders of record on 15th SEPTEMBER, 1917.

THE ANNUAL GENERAL MEETING

of the Shareholders of the Bank will be held at its banking house, in this city, on MONDAY, the 5th NOVEMBER next, at three o'clock in the afternoon.

By order of the Board.
EDWARD C. PRATT,
General Manager.

Montreal, 21st August, 1917.

Nipissing Mines Company, Ltd.

165 Broadway, New York

September 10th, 1917.

THE Board of Directors has to-day declared a regular quarterly dividend of Five per cent. and Five per cent. extra, payable October 20th, 1917, to shareholders of record as of September 29th, 1917. The Transfer books will close September 29th, 1917, and reopen October 18th, 1917.

P. C. PFEIFFER,
Treasurer.

NEWFIELDS FOR CANADA'S PULP AFTER THE WAR

Mill Men of Canada Hope to Supply All England.

MARKET IN RUSSIA

Sweden May Be Cut Off From Both Countries—30 Per Cent Shortage of Labor—Interview with J. E. A. Dubuc.

For some time past in its discussion of business conditions in Canada after the war was over, THE FINANCIAL POST has emphasized the favorable outlook for the development of the export of pulp as well as of newsprint. The United States is, and promises to continue, a growing consumer, and in addition there will be big business with Great Britain, Australia and New Zealand, and other countries.

This view is confirmed by a statement made in an interview this week with THE FINANCIAL POST by J. E. A. Dubuc, president of the North American Pulp and Paper Companies Trust, which controls the Chicoutimi Pulp Co., the St. Lawrence Pulp and Lumber Corporation, and the Tidewater Paper Mills of New York. "We are looking for Canada to supply the whole of the pulp that is used by England after the war, that is not only what we have supplied in the past, but what Sweden used to send," said Mr. Dubuc. "I would not say that we expect there will be discrimination against Sweden by England—I would prefer to put it this way, that England will prefer to get the pulp she needs within herself. While Canada will be largely increasing her output of pulp, I look to no increase in the quantity that Sweden provides. Then there will be an enlarged export to the United States, and we are looking to Russia to take a large quantity of Canadian pulp."

In the face of the existing political conditions in both Canada and the United States in regard to Government regulations as to the prices of pulp wood, Mr. Dubuc preferred to make no comment as to the prospects of prices. On the one side of the line is the Pringle Commission at Ottawa, and on the other the activity against the paper mills by the Federal Trade Commission in the United States. "Everyone is feeling that there is no boundary line between the two countries these days," he remarked.

In discussing labor prospects for the coming winter, Mr. Dubuc stated that neither the letting out of munition workers on the one hand, nor the enforcement of conscription on the other, would have much effect on the supply of men for the forests to cut the pulp wood. Nearly all the lumbermen come from the farms, and in the forestry end there would be no difficulty. But all the mills themselves are short of labor, 30 per cent. on the average, and it looks as if this condition might continue for some time longer. In the mills under the control of the North American Pulp and Paper Companies Trust an arrangement has been made by which some of the deficiency is compensated for by changing the system of three shifts a day of eight hours each to the old system of two twelve-hour shifts.

According to the last report of the output of the Chicoutimi Pulp Co. was 300 tons daily; the St. Lawrence Pulp and Lumber Corporation, 110 tons daily of suphide pulp, and 150,000 feet of lumber a day, and the Tidewater Paper Mills Co., of 100 tons of newsprint a day.

PANAMA CANAL TRAFFIC.

During Year Ended June 30, 1,876 Ships Against 787 in 1916.

The total number of ships making the transit of the Panama Canal during the fiscal year ending June 30, 1917, in seagoing traffic was 1,876, according to official report. In the fiscal year 1916 the total was 787; in 1915, it was 1,088. The aggregate gross and net tonnages of the 1,876 ships in the year 1917, according to the rules of measurement for the Panama Canal, were 8,530,121 and 6,009,358 tons respectively. The cargo carried through the canal amounted to 7,229,255 tons of 2,240 pounds.

Ships making the passage of the canal without cargo, including naval ships and pleasure craft which did not carry cargo, as well as merchant ships in ballast, aggregated 284. Of these, 187 were in transit from the Atlantic to the Pacific, and 97 from the Pacific to the Atlantic; net tonnages were 574,881 and 219,907 respectively.

The average net tonnage of all ships was 3,203 tons. The average net tonnage of the ships carrying cargo was 3,275 tons. The average loading of the ships with cargo was 4,541 tons of 2,240 pounds.

The ratio of tons of cargo to net tonnage of ships with cargo was 1,386. As distributed over the aggregate of traffic, for each of the 6,009,358 net tons that passed through the canal there were handled 1.2 tons of cargo.

FIXING LIABILITY IN DOMINION TRUST CASE

Shareholders of Old Company Lose Out in Fight to Avoid Responsibility.

VANCOUVER.—The fight which the liquidator of the Dominion Trust Company has waged to bring in as contributories the shareholders of the Dominion Trust Co., Ltd., was the subject of a decision by Mr. Justice Murphy. His lordship has decided in favor of the liquidator in an application for a winding up of the Dominion Trust Co., Ltd., the parent company of the Dominion Trust.

When the Dominion Trust Co. took over the business and assets of the Dominion Trust Co., Ltd., in 1913, provision was made in the act for shareholders to have their shares changed for shares in the Dominion Trust Co. Many of the shareholders did not avail themselves of this provision through ignorance or carelessness. Their usual dividend cheques came in, in the name of the new company.

After the crash came the liquidator, in making up his list of contributories, placed the names of these shareholders on his list, contending that the Dominion Trust Co., Ltd., was dead, and that the shareholders, by accepting the dividend cheques of the new company, had made themselves shareholders in the new concern. The shareholders entered an appeal, and were successful before the Court of Appeal in securing exemption from the claims of the liquidator, the court holding that the Dominion Trust Co., Ltd., never having been wound up, must still be in existence, and that these objecting shareholders were still shareholders of the old company.

Steps were thereon taken by the liquidator of the Dominion Trust Co. to apply for a winding up of the old company, with the avowed object of thereby making the objecting shareholders liable to the Dominion Trust liquidation.

WHEAT PROBLEM ONE OF TRANSPORT, NOT SUPPLY

Reserve Supplies in India, Australia and Argentina Held Up For Tonnage.

The exportable reserve of wheat now on hand in Australia is estimated at 135,927,000 bushels; in India, 80,538,000 bushels; and in Argentina, 26,107,000 bushels, according to figures received by the United States Food Administration. These reserves will be materially increased by the coming winter harvests in these countries.

If these and other wheat stocks were available to meet the needs of the allies, the wheat problem of the United States would be immediately solved. But the lack of tonnage must be always taken into consideration. To ship wheat from Australia would take three times the tonnage per cargo as that from North America, since the route is three times as long, and the extra tonnage for this purpose can not be spared. Moreover, the submarine danger is about twice as great. Small cargoes of this wheat, however, are now being brought across the Pacific to our western coast, mostly by sailing vessels, transported across the continent, and reshipped from Atlantic ports to the allied countries.

New wheat crops will be harvested in Argentina in December and January, in Australia in January, and in India in February and March. The coming Argentine crop is officilly estimated at 239,575,000 bushels, a record crop, as against a production of 77,444,000 bushels for last year's crop. The Argentine wheat for future delivery is being quoted at $1.25 per bushel.

In Australia sowing for the new crop is in progress, with a heavy acreage of planting reported. No estimate from India is given other than that the crop is heavy.

THE HAT INDUSTRY.

A Line of Manufacturing Benefiting From War Conditions.

With shipments of the well-known makes of English and Italian hats for men curtailed by war conditions, Canadian manufacturers are establishing an industry on a basis which should enable them to continue as strong competitors for business after the war. At least three new hat concerns have been started in different parts of Canada, while established makers like the Wolthausen Company of Brockville and the Crean Company of Toronto are increasing their facilities.

U.S. ORDERS FOR ALL CANADIAN MILLS CAN MAKE

Continued from page 1.

but for export only. This order was secured by the vice-president after a visit to New York and Washington. The sample is a little different from anything that these mills had made for the Canadian Government.

Mr. Dawson replied to a type of criticism that has been leveled at some of the Canadian manufacturers from the time that THE FINANCIAL POST contained the first announcement made in Canada of such orders. This was that the Canadian mills were accepting business from the United States when they were far behind with orders from the Canadian trade, and that it might be assumed that the acceptance of these orders would still further delay deliveries to their customers at home.

Patriotic Duty to Make for U. S.

He said: "In the first place I think it will be admitted that even if the acceptance of orders like these would work an injury to the Canadian trade we would be justified in accepting them, for they are for the equipment of U. S. troops, our Allies, and making goods that will enable them to be sent to the front any earlier than they would be, is a patriotic work.

No Interference With Home Trade.

"However, I do not think that we need to put it on that ground. So far as we are concerned the new order will not interfere with the turning out of goods for the Canadian trade. They may say, which is true, that there is a scarcity in ginghams, and we cannot deliver nearly all the goods that are required, but the trade do not understand that the looms that will make ginghams will not make duck, and our U. S. order will neither help nor hinder the others. This condition, I think, you will find applies to all the other lines that are being made for the U. S. Government in Canada."

"It is quite true that many firms were short of goods, but the mills have to a great extent caught up, and no one so far as I know is in bad need."

Enameling Vice Munitions.

Coming down to the direct question of munitions, a statement has just been received from the secretary-treasurer of the Canada Stove & Foundry Company of the plans of that firm to substitute another line for the munition business that they have been carrying on. "We have work on hand to keep about 500 men employed for the rest of the year in making shells," said J. A. St. Germain. "However, we are erecting a plant for enameling that to some extent at least will keep us busy. It is impossible to employ the same number of men in as small space as is used for munitions, but a large percentage of the number will be used in the new industry." The regular stove plant of this firm is also being kept busy.

U. S. War Orders.

The Penman Company figured largely in connection with recent orders for war clothing supplies for the United States Government, which orders were granted in connection with the raising of the new large armies. The articles chiefly required consisted of socks, blankets and underwear. Mr. Morrice, sales-manager of the Penman Company recently in Toronto on a visit from New York confirmed the reports that large orders for all these articles had been received by his company and added that practically all Canadian mills had figured in the U.S. war orders for these supplies with the exception of underwear.

ONE-MAN CARS.

A Saving of Close to $200 Per Day at Calgary.

The street railway system at Calgary, in common with others throughout Canada, is showing a falling off in receipts as compared with a year ago. The earnings for the month of July totalled $50,321 as compared with $65,314 for July, 1916. However, in this connection it should be considered the fact that there are no soldiers at the Sarcee Camp, and this has made a considerable difference. In July, last year, the receipts from the line to the camp totalled $17,547, and this year the total was only $1,544.

It is important to note in the case of Calgary that the cost of operation has been reduced since 1916. The cost per mile a year ago was 14.264 cents, and this year 13.024 cents. This reduction is said to be a direct consequence of the operation of one-man cars. Superintendent McCauley states that the operation of the one-man cars is saving the city close to $200 per day. Had it not been for this saving, the road would be now showing a deficit.

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MONEY, BANKING AND EXCHANGE

Bank Clearings for the Dominion Show a Gain of 16.8 per cent.—In the West 4.9 per cent., and in the East 21.7 per cent.

Bank clearings for the week ending Thursday last as reported to THE FINANCIAL POST showed a gain over the figures for the corresponding period in 1916 of 16.8 per cent. The clearings amounted to $224,077,870 against $191,813,361. In the East there was gain of 21.7 per cent. and in the West a gain of 4.9 per cent. which compares favorably with the figures for the previous week when there was a decline of 1.5 per cent. In the West Winnipeg was the only city to show a decline, while the cities to show the largest percentage gains were Medicine Hat, Vancouver, Saskatoon, Lethbridge and New Westminster while the other cities also showed substantial gains. In the East London, Peterboro, Toronto, Halifax, St. John and Montreal showed the largest percentage gains. For the year to date the clearings amount to $8,518,794,720, an increase of $1,681,899,572, or 24.6 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	Sept. 13, 1917.	Change.	%
Montreal	$ 86,044,443	+$ 15,588,177	22.1
Toronto	55,897,820	+ 10,937,762	24.1
Ottawa	5,748,611	+ 290,290	5.3
Hamilton	4,305,063	+ 629,076	17.1
Quebec	3,491,327	+ 70,054	2.0
Halifax	2,964,296	+ 574,133	24.0
London	2,265,115	+ 596,817	35.7
St. John	1,883,129	+ 359,307	23.5
Brantford	747,354	+ 95,690	14.6
Peterboro	652,681	+ 168,837	34.8
Sherbrooke	542,166	+ 74,257	15.8
Kitchener	572,071	+ 80,743	16.4
Total, East	$165,114,076	+$ 29,465,143	21.7

Western Cities.

	Sept. 13, 1917.	Change.	%
Winnipeg	$ 31,773,729	—$ 3,377,669	9.6
Vancouver	9,441,074	+ 2,989,640	46.3
Calgary	4,980,376	+ 886,892	21.6
Edmonton	2,505,690	+ 474,591	23.3
Victoria	1,801,802	+ 338,499	23.1
Regina	3,071,071	+ 447,775	17.0
Saskatoon	1,691,135	+ 495,327	41.4
Moose Jaw	963,777	+ 16,692	1.7
Ft. William	562,995	+ 55,304	10.8
Brandon	562,284	+ 27,672	5.1
Lethbridge	751,872	+ 195,668	35.1
N. Westm'ster.	392,922	+ 97,189	32.8
Medicine Hat	465,067	+ 151,786	48.4
Total, West	$ 58,963,794	+$ 2,799,366	4.9
Grand total	$224,077,870	+$ 32,264,509	16.8
Yr. to date	$8,518,794,720	+$1,681,899,572	24.6

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending September 6 aggregate $5,279,215,000, against $5,347,299,000 last week and $4,635,870,000 in this week last year, an increase of 13.9 per cent. Following are the returns for this week and last, with percentages of changes shown this week as compared with this week last year:—

(000's omitted)

New York	$3,214,006	I	8.2	$3,211,231
Chicago	408,102	I	14.1	438,512
Philadelphia	285,403	I	30.0	288,232
Boston	218,417	I	47.3	200,149
St. Louis	106,028	I	23.6	121,791
Kansas City	122,780	I	34.3	130,391
San Fran	84,684	1	30.4	96,420
Pittsburgh	57,770	I	16.0	75,807
Cleveland	64,398	I	40.0	71,863
Detroit	40,017	I	5.2	46,461
Baltimore	39,874	I	17.8	38,642
Cincinnati	39,183	I	28.6	35,977
Minneapolis	28,823	I	13.6	24,354
New Orleans	27,336	I	16.3	30,738
Los Angeles	21,745	D	1.4	27,463
Omaha	29,035	I	24.3	29,449
Milwaukee	24,281	I	54.2	21,510
Atlanta	22,768	1	44.5	21,676
Louisville	15,352	I	7.0	15,846
Richmond	24,411	I	59.3	27,222
Buffalo	14,547	I	11.0	16,042
Seattle	21,682	1	51.2	21,130
St. Paul	12,138	D	7.4	11,662

MONEY.

Call money in London has been quoted all week unchanged at 3¾%. In New York, it has been for the most part quite firm, touching 6% on Monday and ruling around 5% all week.

Banks and trust companies in New York are manifesting an indifference in the matter of putting out funds, due to the preparations making in anticipation of the Liberty Loan, and there has been some calling of loans. At the same time the Federal Reserve Bank is taking steps to prevent unusual disturbance of the money market by requiring from banks and trust companies daily reports regarding certain of their liabilities and assets, to be used to facilitate the credit and cash operations involved in the second loan. This step is expected to prevent a repetition of the high interest rates recorded during the payment of the last loan and is favorably regarded in banking circles.

Gold exports have been going forward from the United States on a scale that is causing some apprehension. During the past five weeks $73,260,000 in gold was exported and only $18,248,000 imported, leaving a net outward movement of $55,012,000. The Treasury Department has met this emergency by prohibiting all future exportations either of gold or evidences of indebtedness, except under special export license.

EXCHANGE.

Further declines in roubles have been the feature of the week in the field of exchange. From a close of 16.75 on Saturday, they dropped steadily to a low of 11.25, recorded on Wednesday. On Thursday there was a recovery of 14.00 and yesterday the opening quotation was 16.25. The decline and subsequent recovery were entirely owing to the various developments in the political situation in Russia.

Sterling exchange has been unchanged at 4.75½ for demand and 4.76 7-16 for cables, but francs have been easier. From an opening of 5.78¼ on Saturday last, demand worked down to 5.80¼ on Thursday, recovering to 5.79½ yesterday at the opening. Weakness also developed in the Italian lire, this exchange dropping from 7.70 to 7.81 between Saturday and Thursday, yesterday's opening being at 7.80.

The market for New York funds has been dull, the rate holding fairly close to 3-32% premium.

The decision of the U.S. Treasury Department to prohibit all future exportations of gold or evidences of indebtedness, except under special export license, is calculated to stabilize exchange between the United States and neutral countries. Sterling exchange is being maintained arbitrarily at Paris and New York, but not at several neutral centres. Hence it has been profitable to buy sterling at the lower prices in those neutral markets and sell at a profit at the high arbitrary rate in New York, taking gold in payment. If this movement were permitted to continue it would soon constitute an active and important drain upon funds on this side of the Atlantic.

BANK OF B.N.A.

Stanley McPhail of the Belmont, Man., branch of the Bank of British North America, has been transferred to the branch at Semans, Sask.

STANDARD.

J. F. Rowland, manager of the Standard Bank at Tillsonburg, has been appointed manager of the branch at Kingston. Mr. Rowland went to Tillsonburg from Brussels about two years ago. Mr. Munroe of Markham, has been appointed manager at Tillsonburg.

ROYAL.

Pte. Joseph Stanley McCoy, of Hamilton, and formerly teller in the Royal Bank of Montreal, is reported killed in action at the battle of Lens. He enlisted with the 86th machine gun battalion and after a year's training he accompanied his unit overseas and while in England was transferred to the 16th Canadian machine gun company with which he went to France and about a year ago into the trenches.

IMPERIAL.

Pte. E. O. Power, of Toronto, and formerly on the staff of the Imperial Bank, is reported as having died of wounds September 1st. Pte. Power enlisted for overseas service nearly two years ago, and went overseas in October last year.

Pte. R. N. Bain, of Toronto, who before enlisting was on the staff of the Imperial Bank, is reported as missing since going into action on August 15th. Just before the war Pte. Bain was transferred to the Edmonton branch of the bank, and it was in Edmonton that he enlisted with a Western battalion for overseas service.

BANK OF ENGLAND.

The weekly statement of the Bank of England shows the following changes:—

Total reserve, increased £83,000; circulation, decreased £136,000; bullion, decreased £53,757; other securities, decreased £$5,589,000; public deposits, decreased £1,872,000; other deposits, decreased £3,651,000; notes reserve, increased £136,000; Government securities, decreased £27,000.

The proportion of the Bank's reserve to liability this week is 19.61 per cent.; last week is was 18.92 per cent.

C. A. Bogert, general manager of the Dominion Bank; Sir Edson L. Pease, general manager of the Royal Bank; A. T. Reid, director of the Dominion Bank, and S. L. Patton, of the Dominion Bank, Winnipeg, are in the West inspecting the branches of their respective banks.

THE WORLD BANKER.

The Statist Discusses the New Trend of International Finance.

The war has been accompanied by some remarkable developments in international finance. The United States became in a large measure the supply house of the Allies, resulting in the transfer of vast sums to this side of the Atlantic from Europe. As to whether the end of the war will find London or New York the dominant money market of the world is a matter upon which there is a difference of opinion. However, we find The Statist giving serious discussion to the loss of prestige which London is suffering:

> When introducing the new vote of credit for 650 millions sterling last week, the Chancellor of the Exchequer said, among other things: "It is an open secret that we have spent so freely of our resources that those available for payments in America had become nearly exhausted when our great ally entered into this struggle, and obviously the extent to which supplies of all kinds can be obtained from the United States will depend largely on the ability—for I am sure of the good will—of the United States Government to meet the demands that are made upon it by the Allies."
>
> This is a very humiliating confession for the Chancellor, which neither of his two predecessors ventured to make, and it is also sorry reading for the British public. It means, in effect, that the London money market has lost its proud position as the foremost money market in the world, the clearing house for all nations, and the banker to whom the enterprising commercial men of every State came when they were in need of banking assistance.
>
> The main cause, of course, of the trouble in which we find ourselves is the refusal of Government of all parties to prepare, though they were fully and clearly warned by the enemy himself. But we must add that the Government was to some extent misled by the London bankers, who for a quarter of a century previously had refused, in spite of all warnings and all pressure brought upon them, to increase adequately their reserves. The main cause, however, of the predicament in which we now find ourselves is that we, the public of all classes and all conditions, have allowed the idle rich and the mere talking professional classes to monopolize the Government of the Empire. Consequently, we must frankly admit that a good deal of the discredit rests upon the great public itself.
>
> Will they waken up at last and recognize that men who cannot even dress themselves of a morning without the help of servants cannot be expected to do anything that entails a little trouble, however simple it may be, and that gentlemen whose business in life is to talk and to interpret an uninterpretable law are not likely to be good guides in the days of danger and distress?
>
> We showed last week, with every desire to minimize as far as we honestly could, the probable cost of the war, and how enormous is the debt we are piling up, and we added that when peace returns we shall have to face many and very serious difficulties. Still, bad as our condition is, it is reparable if only we take the right course to put everything in thorough order. We want, in the first place, a Government that really understands the resources of the country and how to develop them. We want, secondly, a Government composed of men of great practical experience, who have often had to look financial difficulties in the face, as well as strikes and other troubles, and have somehow or other come out successful. We want in short, competent experts to lead us through an exceedingly troublous future. Without such we certainly shall not maintain the high credit that England once held, nor shall we earn the vast profits that London used to receive.
>
> It is not a slight matter that is at issue. The country is very small in territory. It is crowded with a population which does not receive a quarter of its sustenance from its own soil. We are dependent, in fact, for the very means of buying the food and the raw materials we require upon our trade. And our trade is being put in a perilous state by sheer incompetence, a natural result of employing men who never did an honest day's work in their lives to take care of our interests.
>
> In every other direction competitors are growing up. But there are two who are especially dangerous; first, our own kinsmen across the Atlantic. They are considerably more than twice as numerous as we are in these islands. They are among the very best business men that the world holds to-day. And they are in possession of a soil which is capable of maintaining five times the population it has at present. They have, therefore, illimitable room to spread and to multiply, and they have resources which, with the exception of China, no other country in the world possesses. Under any circumstances, therefore, they would distance us in the long run. But if we had a really capable Government we might hold our own for a long time, and we might make adequate provision for the day when we should indeed have to play second fiddle. As it is, three short years of war have suddenly deprived us of our financial primacy and threaten to land us in a position in which we shall be dependent upon the lending powers of others and incapable of lending ourselves.
>
> The second really formidable competitor is Japan. Her people are far less numerous than our American kinsmen, and her soil is in no sense equal to theirs. On the other hand, she has a wide territory now, and she has a people as capable as perhaps any country upon earth. She has been engaged in the war from the beginning. She was not herself attacked. She could therefore honorably, if she had wished, keep out of the fray and remain neutral. But she deemed that in honor she was bound as the ally of England to strike in and she has rendered to her Allies inestimable services. She has helped to sweep enemy commerce destroyers from the seas.
>
> Yet, with all these responsibilities upon her, her trade is growing at a rapid rate, her credit is rising surprisingly well; and above all, and as a proof of all, she has been able to lend to Russia, to France, and to ourselves, while she has supplied Russia with a very large proportion of the munitions which have enabled Russia to make such fight as she has made up to the present. There is no scarcity, then, of competent communities to take our place.
>
> Are we going listlessly and hopelessly to surrender without even a serious attempt to maintain our old place?

SPANISH SAVINGS BANKS.

Development of System Inaugurated Last Year.

The postal savings banks inaugurated in Spain on March 12, 1916, opened with 700 offices, which by the end of the year had increased to 739, distributed throughout the country. The Provinces of Badajoz and Oviedo, each with 32 branches, have the largest number, followed by Valencia with 29, Alicante with 28, and others with less numbers. These branches, taken as a whole, provide one for every 27,000 inhabitants.

On the first day of the postal savings service 2,761 accounts were opened in various sums totalling $27,775. As the year progressed the deposits augmented in spite of certain conditions adverse to the working classes. At the end of 1916 the number of deposits had increased to $572,180, and the amount of the deposits was $3,515,637.

THE ROYAL BANK OF CANADA
INCORPORATED 1869

Capital Authorized	$ 25,000,000
Capital Paid Up	12,911,700
Reserve and Undivided Profits,	14,324,000
Total Assets	295,000,000

HEAD OFFICE, MONTREAL.
365 Branches in Canada and Newfoundland.
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela
BRITISH WEST INDIES
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BRITISH GUIANA—Georgetown, New Amsterdam and Rose Hall (Corentyne).

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SAVINGS DEPARTMENT AT ALL BRANCHES.

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If you have appointed a friend as your Executor, we would suggest that you make a Codicil to your Will and name this Company as Managing Executor to act with him.
This will relieve your friend of the many details connected with the administration of your Estate and will insure the strict observance of your wishes.
Consult us about your Will.

Montreal Trust Company
Sir Herbert S. Holt, President. A. J. Brown, K.C., Vice-President
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J. F. Hobkirk, Manager

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Authorized Capital	$ 1,000,000.00
Subscribed and Fully Paid	750,000.00
Reserve and Surplus	500,000.00
Total Assets	15,000,000.00

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By appointing this Company your Trustee and Executor or Financial Agent, you ensure expert and continuous service, and safeguard your Estate against mismanagement and loss.
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FINANCIAL ASSISTANCE
to Estates being administered by it.

CAPITAL ISSUED AND SUBSCRIBED	$1,171,700.00
PAID-UP CAPITAL AND RESERVE	860,225.00

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THE EMPIRE LOAN COMPANY, Winnipeg, Man.

THE
TORONTO GENERAL TRUSTS CORPORATION
DIVIDEND No. 85

Notice is hereby given that a dividend of two and one-half per cent. (2½%) has been declared upon the paid-up Capital Stock of this Corporation for the quarter ending September 30th, 1917, being at the rate of ten per cent. (10%) per annum, and that the same will be payable on and after the First Day of October, 1917.

The Transfer Books of this Corporation will be closed from Thursday, September 20th, to Saturday, September 29th, both days inclusive.

By order of the Board.

A. D. LANGMUIR, General Manager
Toronto, September 11th, 1917.

ORGANISING OUR INDUSTRIES FOR AFTER THE WAR

The Importance of Our Mineral and Other National Resources.

REPORT ON A LIVE TOPIC

Engineer of Conservation Commission Deals With Organization and Technical Education to Develop Steel, Coal, Water Powers, etc.

The application of modern scientific methods to the development of industries in Canada, so that we may be able nationally to play our part in the great world competition which is predicted for the period after the war, is the keynote of a very interesting and valuable report by W. J. Dick, mining engineer, Commission of Conservation, which deals in particular with problems in connection with our mineral resources. German efficiency and German accomplishments in scientific industrial development are advanced as illustrating what can be accomplished in this direction by the employment of proper methods. The point is emphasized that not only did Germany gain control of a large number of industries, but that her industrial organization was such that without exports or imports she has been able to go on producing a great variety of products as indicated by her aggressive prosecution of the war.

Mr. Dick argues from obvious facts and from the attitude of the representatives of the Allies at the Paris Conference, that industrial organization is highly essential to national strength from both military and economic standpoints. He advocates technical education, which has proven so effective in Germany, and goes on to deal at length with the application of science to industry, referring to steps taken in the appointment of advisory councils in Great Britain, the United States and Canada.

Co-operation of Producer and User

Dealing with the important question of the relations of producer and user, Mr. Dick asks for the co-operation of the several public organizations. He says:

> The mineral industry may be assisted by having mining trade experts attached to the Department of Trade and Commerce who could act in co-operation with the Manufacturers' Association, the Departments of Mines, Provincial and Federal Governments, and with British trade and consular officers abroad. The corelated statistics could then be sent to producers and users in the form of weekly or monthly mining trade bulletins, thereby encouraging trade in mineral products, both at home and abroad.

Encouraging Basic Industries.

The encouragement of basic industries is, in the opinion of Mr. Dick, very important in itself, and also in relation to the development of specialized industries. He points out:

> On account of the small population and domestic markets of Canada, speaking generally, it is unwise to encourage the establishment of highly specialized industries, unless such can compete in outside markets with similar goods manufactured elsewhere. As our home consumption is small in proportion to our resources and to our capacity to produce raw materials, it is desirable that basic industries be established first. Following the growth of home market requirements it will be possible to develop special industries to utilize the basic products. In this connection, national safety as well as economic advantage must be considered, and problems will arise involving not only the establishment but also the location of basic industries.

The importance of electric energy in the refining of minerals is dealt with. In this connection attention is called to the great water-power resources of Canada, many of which are situated near tide water, and could be developed and operated at low cost, and with advantage in relation to ocean transportation.

Mr. Dick believes that Canada is favorably situated to secure the principal electro-chemical and electrometallurgical industries of Eastern North America.

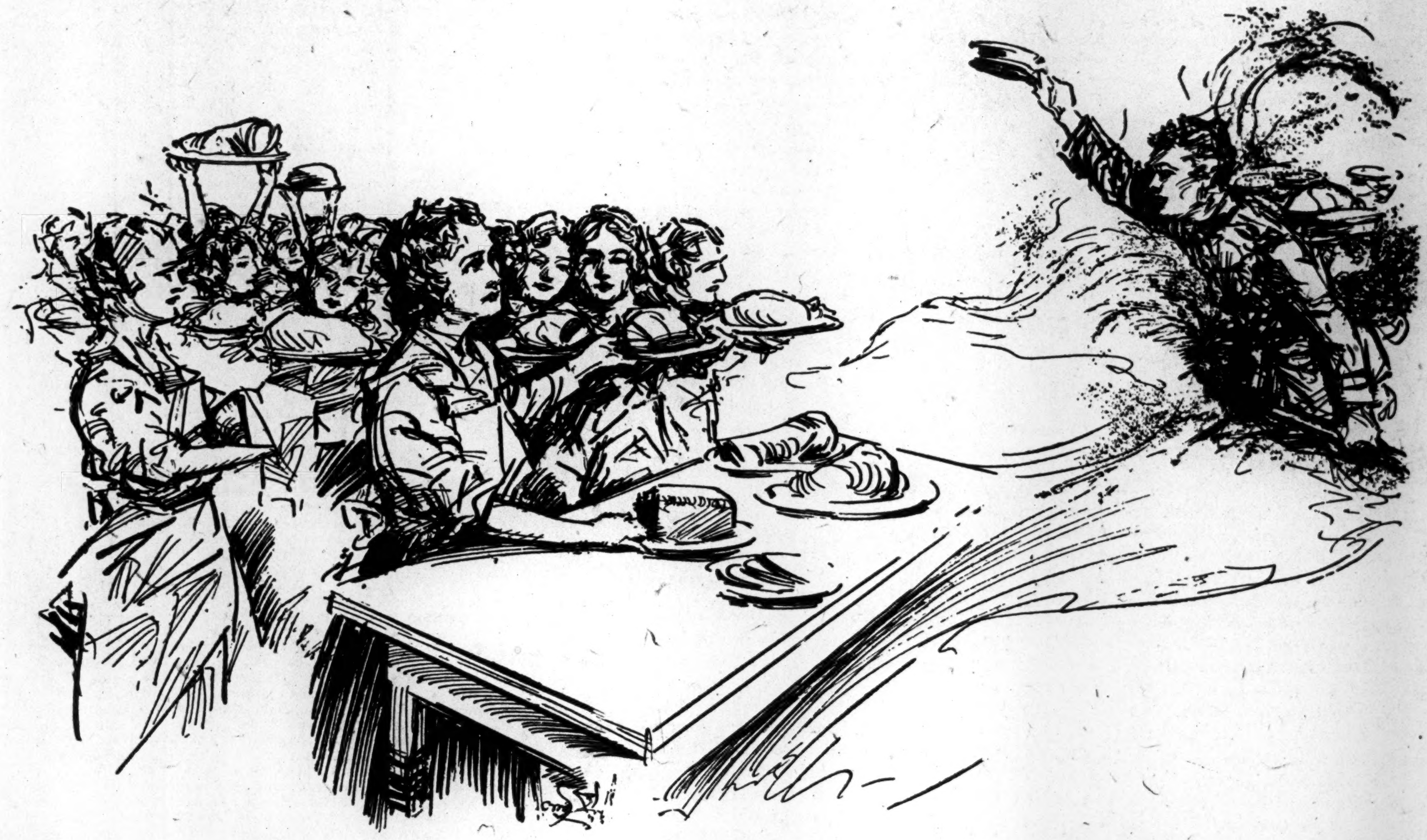
> The principal electro-chemical industries already established in Canada are: Manufactures of aluminum, acetone, calcium carbide, metallic magnesium, calcium cyanimide, phosphorus, ferrosilicon, and the refining of copper, zinc and cobalt. The first five industries enumerated produce considerable quantities, not only for home consumption but also for export.

Keep Power at Home.

Continuing, the report calls attention to the fact that Canada is taking but a small part in the chemical import business of Great Britain, despite the advantageous position she holds as regards water power. Reference is made to the advisability of conserving electrical energy for domestic use:

> **Instead of developing our own electrochemical industries we are developing**

Continued on page 11.



Vision Your Sons, Mothers of Canada!

Vision them at early morning when through the rising mists, there bursts a hurricane of fire---

See your valiant boys---calm, grim, but cheerful, "stand-to-arms" until the Hun's "morning hate" dies away.

Picture them at breakfast, the meal that must bring them the bodily sustenance to carry them through the strain of another day.

Then think what might happen if, one morning, there was no breakfast ---no food, and word went down the lines that Canada had failed them.

Vision all these things, and then--- as Women of Canada---Mothers of Men---Answer this Call to Service.

Canada must send to Her Own, and to the Allies Fighting Forces, more wheat, more beef, more bacon, and more of such other foods as are non-perishable and easily exported.

Canada can do this without depriving her own population of a fair share of any of these foods if You Women will but help.

All we ask of you is, that instead of buying so much white flour (if you do your own baking) you vary your baking by using one-third oatmeal, corn, barley or rye flour. Or, if you buy your bread, that you order a certain proportion of brown bread each day.

Second, instead of using as much beef and bacon as formerly, you vary your family's diet, by substituting for beef and bacon such equally nutritious foods as fish, peas, lentils, potatoes, nuts, bananas, etc.

Third, and this is most important, ---positively prevent the waste of a single ounce of food in your household.

They Must Be Fed

Statistics show that, everyday, in Canada, sufficient food is thrown into garbage cans to feed the entire Canadian Overseas Army.

Travellers have often remarked that many a European family would live well upon the quantity and quality of food wasted in some Canadian homes.

Such waste is shameful at any time; but in these times it is criminal.

Our only hope is that with these truths before you, and in view of the vital issues at stake, we may count upon your earnest co-operation in stopping this appalling waste; and in substituting other foods for the wheat, beef and bacon that must be sent overseas.

Next week a Food Service Pledge and Window Card will be delivered to you. It is your Dedication to War Service. The Window Card is your Emblem of Honour.

Woman's Auxiliary, Organization of Resources Committee, in Co-operation with The Hon. W. J. Hanna, Food Controller.

Sign The Food Service Pledge

THE FINANCIAL POST OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - H. T. HUNTER
Manager - - - - - - - - - - R. G. DINGMAN

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Toronto, September 15, 1917.

THE FUTURE OF LABOR.

DEMOCRACY will take some big strides forward as the result of the war. Victory will be the victory of the masses of the people, just as the suffering also has been largely theirs. For the future there will undoubtedly be a determination that no individual or individuals can have the power to start a world conflict involving the lives of millions and the affairs of hundreds of millions. Labor will become a much more powerful factor in public affairs; socialism, at least by that name, is losing its popularity in Allied countries.

In the adjustment of things there will be an opportunity to bring capital and labor closer together. War conditions have led to mutual understanding. If there is to be that industrial war which is so generally predicted it will be won by the co-operation of capital and labor and not by the opposition of one to the other.

Already in England the problem is being appreciated. Steps are being taken to bring about a better understanding of employer and employed. There has been an industrial awakening as the result of the great war effort and it is evident that the advantages of co-operation in developing productive efficiency have been appreciated by both factions. For the future labor will be on a higher plane than in the past intelligently, socially and politically, and economists, industrial experts and politicians are endeavoring to decide the best means of co-operating capital and labor for their mutual good and the benefit of the nation.

In Canada the question has not as yet received very great attention. There are, however, evidences of readjustment where munitions orders have completed their run. The problem will increase in importance with the end of the conflict and the return of the soldiers to their usual walks of life. Manufacturers will do well to give the question consideration and to endeavor to pave the way to closer relationship with their employees.

IMMIGRATION AFTER THE WAR.

WE ARE experiencing economic conditions which are absolutely without precedent. The future is clouded in uncertainty. There are many theories as to what Canada's experience will be in the period to come after the war; many of them are little better than guesswork. However, there can be little doubt but that in the future as in the past immigration will play a very important part in our national prosperity. The question arises as to whether there will be a large influx from Europe. Much, we believe, will depend upon the manner in which the Canadian government handles the situation. It is not a day too soon to be giving the matter attention.

The indications are that if we are to have settlers from the old land in the future we will have to show an attractive straightforward proposition. Europe is not going to watch her people depart for the New World without making an effort to detain them. In England there are various schemes being considered to keep the men at home when they take off the khaki. Other European countries, no doubt, also have the matter in mind. Lord Northcliffe states that it is not Britain's intention to let many wander from their native land.

We will need an aggressive immigration policy in Canada and an efficient administration of our public domain and agricultural affairs if we are to properly provide for our returning soldiers and induce an influx of immigrants in the period to follow the close of the war. A greater production of food is needed and will be needed for some years and that should indicate a place for Canada in the world activity and a field for that energy which may be turned from the making of war supplies. No country can beat the sword into a plough-share to better advantage.

THE PROBLEMS OF PRICE.

FOOD CONTROLLER HANNA announced a couple of weeks ago that he could not regulate prices in defiance of the law of supply and demand. Public opinion—or at least public opinion as indicated by the daily press—cried out in protest. The editors pointed to what Mr. Hoover was doing; they called attention to what was being done in England.

At the National Conference of U.S. Live Stock Raisers, a few days ago, Mr. Hoover announced—although readers of the daily press did not find the item under a big heading—that price fixing for meat and dairy products was beyond the authority of the food administration; that it was inadvisable in view of the failure of the plan in Europe.

Readers of these columns will find in these announcements a logical confirmation of the theories of the solution of the food problem which have been advanced since it arose. There is a shortage of supply. Prices have advanced because there is a prevalence of money and distribution is ruled by buying power. The solution is in increasing production, eliminating waste, encouraging conservation, and facilitating transportation. No feat of legerdemain with prices can bring a short cut to the desired end.

A price has been set for wheat, but it could not be termed a regulated price. It is an effort to prevent fluctuations rather than to raise or reduce values. So long as the price set fairly represents the market, as established by supply and demand, there should be no objection. But the only way in which that price can be maintained is for the government to stand ready to purchase every bushel of wheat. The government then becomes the speculator and stands to make or lose by its operations. So long as we must carry food from one season to another and so long as nature rather than man regulates the yields so long will there be speculation—whether by individuals or by governments.

WASTING THE PEOPLE'S MONEY

ON the opposite page will be found a charge of business incompetency against the department at Ottawa responsible for the rebuilding of the Parliament Buildings. It is that inferior material of American make is to be used for the plumbing system at a price one hundred and fifty per cent. higher than the better equipment made in Canada. It is bad that money should be wasted at such a time; it is worse that it should be wasted in the United States. The amount involved will not make a dent in Canada's financial standing, but there is evidence of a laxness in the administration of public funds which gives eloquent support to the demands which THE FINANCIAL POST has been making for the handling of the nation's business by capable and competent business executives rather than by opportunists and politicians.

OUR INDUSTRIAL FUTURE.

THERE is no more important subject to business Canada to-day than the question of industrial readjustment after the war. What does the future hold for this young country, with its natural resources but scratched, in relation to the advanced world nations which are, from all forecasts, to enter upon a strenuous industrial war? What will this natural wealth profit—and how can it be made to profit—against the scientifically organized production of the great industrial countries?

These are questions which are dealt with in a most interesting and informative report by W. J. Dick, mining engineer, Commission of Conservation, which treats with the development of our natural resources, particularly minerals, for the upbuilding of domestic production. The encouragement of our basic industries is particularly recommended and the importance of conserving our water powers to this end and of discouraging the exportation of minerals or other raw materials for manufacture abroad is emphasized. The steel and coal industries are given particular attention. The report is dealt with at length in another column of this issue.

Perhaps the most significant feature of Mr. Dick's report is his reference to the importance of technical and industrial education for the promotion of industry and the welfare of the nation—on which point strong opinions have long been held and have previously been expressed by THE FINANCIAL POST. The co-operation of science with industry is also recognized as being of great importance.

Mr. Dick evidently believes that in paving the way for industrial development we should take a page from German experience, pointing out the results which have been obtained in that country—results which have astonished and are still astonishing the world. The opinion prevails in Germany, he comments, that the nation possessing the best educational system is the best prepared to promote industrial progress and national welfare.

Altogether the report has a value and interest which indicates that government commissions can be made to serve a practical purpose under the direction of such men as Sir Clifford Sifton.

EDITORIAL NOTES.

THE household pledge to help the Food Controller conserve food supplies should prove an effective factor in solving a great problem.

* * *

THE real kick—and a just one—about the price of Canadian bacon will come from the hog raiser if unnatural regulations are used to depress the market price.

* * *

NEWSPAPER heading: "To Leave Borden on Thanksgiving." This does not refer to a split in the Conservative party but to the trek of the militia from the North.

* * *

COMPANIES are to be asked to collect the income tax on salaries paid employees. The government thus shifts to private concerns a large share of the expense of collecting a public fund.

* * *

SENATOR Bique, in the debate on the Income Tax War Bill in the Upper Chamber: "Take also the case of two bank clerks, each receiving $5,000 salary. . . "—And they say that our senators have lost their sense of humor.

* * *

THE enforcement of beefless, porkless and muttonless days and the increased consumption of lamb and veal does not indicate that the regulation of food consumption is likely to be much more effective than the efforts to regulate prices.

* * *

IF THE amendment of the Income Tax Bill in the Senate by changing "annual profit" to "annual net profit" made any material change in the practical application of the measure it was not indicated in the opinions expressed during the debate.

* * *

THE Rotary Club in Toronto raised garden produce to the value of $50,000. Here is one organization which has done big things towards solving the food problem while other bodies have talked price regulation—which of itself has done and will do no real good.

THE MAN WHO BUYS STEEL FOR THE U.S. GOVERNMENT

A Sketch of a Young Man Who Has Broken Some Industrial Records.

THERE is a man 41 years of age at Washington to-day who is buying all the steel for the United States. It would almost seem, from his comparatively tender years, that this young man, whose name is J. Leonard Replogle, was at the commencement of a brilliant career. In reality, Replogle has had a brilliant career. He has crammed enough into the few years that he has been in business to do half a dozen less strenuous men a life time. He has formed mergers, manipulated big sales, planned far flung consolidations and effected brilliant industrial coups. And now Uncle Sam has called him to handle one of the biggest jobs the war has opened up. The Annalist tells the story of Replogle as follows:

He does not like his first name—which is Jacob—and signs himself J. Leonard Replogle, but his friends shorten that to "Rep." It was not until recently, say within the last two years, that many people ever thought of him as Mr. Replogle. When a man has grown up in an industry with which he started as a young boy, his associates acquire the habit of addressing him as his employers did when they wanted him to carry a letter across the street or find out the baseball scores.

From now on he is more likely to be known by his last name, with the "Mr." leading off, for he has been taken away from his old haunts to be installed in Washington in an important capacity. He is the man who, perhaps without a title, will do most of the buying of steel for the War Industries Board. Fortunately for his peace of mind, he will not have to fix the price which this Government and the Allies will pay the manufacturers, for that is to be settled by the President on the basis of recommendations made by the Federal Trade Commission.

Replogle is still another man of the type that has never before figured in the administration of Government affairs, and his free-and-easy, come-to-the-point-and-decide manner will undoubtedly shock the subordinates who have grown up in the shadow of civil service and never moved out of the narrow lanes fenced with red tape. Like Hoover, Barnes, Baruch, Ryan, Davison, and the other big men who are able now to work for the Government because they accumulated fortunes before the war, Replogle sees no occasion to write half a dozen letters and consume three weeks in negotiation before making a decision. A few words over the telephone, a little figuring, and the transaction under consideration is either put through or dropped. These men entered Government service too late in life to learn its cardinal principle, which is never to assume responsibility that can in any way be passed to some one else. Washington calls it "passing the buck."

A Wall Street Product.

Replogle is one of the most interesting men Wall Street has ever met. He is not a Wall Street product, though he took to his new environment about as a duck slides into the pond. He found conditions in the country's money centre not essentially different from those of Pittsburgh, with the same kind of men trying to outguess one another. He plays that game well himself.

He first began to get into the newspapers when he engineered a coup that gave him control, for a few hours, of the vast Cambria Steel Company plant. Replogle knew the Cambria works; he began work there as an office boy when he was 13 years old. He was a typical office boy in one respect—he never went to work on a warm afternoon without thinking how much pleasanter it would be to see the Pirates play ball—but he had the knack of getting on. He rose to shipping clerk, time-keeper, Superintendent of the axle department, Superintendent of the order department, assistant to the General Manager, assistant to the President, and, finally, Vice-President and General Sales Manager. He left the last position March 1, 1915, to become Vice-President and General Manager of the American Vanadium Company. Seven months later he held control of the Cambria. He bought it with borrowed money in the face of competition from a powerful group which did not need to borrow. But Replogle is a good trader. He made up in nerve what he lacked in his drawing account.

The Cambria Coup.

The story of the Cambria coup is too long to be detailed here, but as it made Replogle one of the best-known steel men in the United States, it is worth outlining. The Pennsylvania Railroad had owned 450,820 of the 900,000 shares outstanding, of which W. D. Donner, head of the Cambria Company, has acquired options on 112,000. He held his option on the condition that he should also find a buyer for the railroad's holdings of Pennsylvania Steel Company stock. While Donner was trying to arrange for a syndicate to take over both companies, Replogle got together banking support in Wall Street and offered the Pennsylvania $15,000,000 for 210,000 shares of Cambria. Confronted with an actual cash offer on one hand, and a promise on the other, the railroad Directors took the cash. Donner had the backing of Henry F. Frick, while Replogle had associated with himself E. T. Stotesbury of Drexel & Co., A. W. Mellon, and R. B. Mellon of the Mellon National Bank, and several New Yorkers. Both sides were picking up all of the minority stock to be had in the open market while the contest for the railroad holdings was on.

Having acquired enough stock to make him dominant in Cambria, Replogle at once started after two other companies for the purpose of effecting a merger. He interested new capital, got more options, and seemed in a fair way to get rid of his Cambria stock at a handsome advance, when one of the steel men threatened to block the merger unless his stock was taken in at a higher figure than that planned. The syndicate which had taken an option on Replogle's stock allowed it to expire while the discussions were on, evidently believing that a better price could be made with Replogle.

The young Pittsburgher was not to be caught napping by the failure of the merger plans, however. In the last few hours preceding the expiration of the banking option he interested Frank A. Vanderlip and William E. Corey in a proposition that they take Cambria for the Midvale. When the option ran out, the sale was closed, Replogle getting $81 a share for the Cambria stock. After the division of profits, he found $1,600,000 left for his work of a few weeks. He hurried away to Palm Beach in order to play golf while the details were being settled.

Other Coups Followed.

That transaction, brilliant as it was in conception, might have been considered a fluke if Replogle had stopped there. With his new-won capital he formed a syndicate to buy control of the American Vanadium Company, of which he was then elected President. Soon afterward he joined the du Pont interests in financing the Sun Shipbuilding Corporation. After that he bought the Wharton Iron & Steel Company in New Jersey for the sake of the company's big ore deposits.

Replogle is only 41 years old now and he has not stopped growing. He has a winning personality, makes friends quickly, and has apparently been not in the least spoiled by his fortune. He is one of the best salesmen in the United States, with a coast-to-coast acquaintance with steel and railroad men. The respect in which he is held by older men in the trade was evidenced by the congratulations that poured in upon him when he offered his services to the Government to facilitate steel deliveries during the war. Knowing both the producing and selling side of the game, he ought to prove almost invaluable in his new position, where tact is as necessary as a knowledge of the steel business.

PERSONAL

R. H. STEWART, formerly general manager of the Consolidated Mining and Smelting Co., of Trail, B.C., who has been engaged by the Slocan Star mine as consulting engineer, has already, during the course of his investigations, made a number of improvements and betterments which have been adopted and carried out. The examinations made thus far would tend to indicate that additional ore bodies will be found on the eighth and tenth levels of the mine.

W. E. DUPEROW, who has been appointed general passenger agent of the Grand Trunk Pacific and Canadian Government railways, has for the past three years been assistant general passenger agent of the G.T.P. He entered the service of the Grand Trunk in 1893 and has held various positions of increasing importance in the passenger traffic department of the G.T.R. and the G.T.P., although for a period of five years he was general manager of the Hudson and Lake of Bays and Lake Simcoe Navigation company.

RICHARD BEDFORD BENNETT, K.C., M.P., who is best known to Canadians by his initials "R. B.," and who in recent years has been taking to himself a goodly share of the political limelight, is not only the president of the Calgary Power Company, the annual report of which concern was presented to the shareholders this week, but he is interested in and a director of several other industrial and financial corporations. Calgary has been his address for the past ten years but he is one of the wise men of the East who adopted Horace Greely's advice, having been born at Hopewell, N.B., and educated in the schools of that province before attending Dalhousie University. He entered the political arena as a member of the Legislative Assembly of the Northwest Territories in 1898 and went to the Dominion House in 1911. He has made for himself a wide reputation as a platform speaker and political orator.

EDWARD S. MADDOCK, president of the Guaranty Securities Corporation of New York, who has been in Vancouver on a tour of inspection of the various branches and agencies of his company, says Canadian securities stand high in the financial world as evidenced by the last Canadian loan in New York. The next Canadian war loan will in his opinion, be floated equally as well. He asserted that Canada's position in the financial world had been greatly improved since the commencement of the war and to such an extent that anything within reason in the way of money could be secured from the financiers from the east and south. At the conclusion of the struggle in Europe, Mr. Maddock is of the opinion that the present wave of manufacturing in the United States and Canada will not stop at once, according to some opinions given publicity. The sudden stoppage of the manufacture of certain articles used alike in peace and war would cause a dislocation of business which might do considerable injury to the country. He argues, therefore, that in a great many lines of articles used in warfare, the process of discontinuation will be more or less slow until the country becomes accustomed to the new conditions.

Letters To The Editor

BANKERS AND INSURANCE.

Editor THE FINANCIAL POST:

In one of your recent issues you had some very practical remarks on the subject of branch bank managers transacting fire insurance as agents.

You might have added two more very potent reasons why this very objectionable practice should not be allowed by either the companies or the banks.

From the company standpoint the danger is that it will be asked to insure the properties of those who are seriously in debt to the bank and such risks are undesirable on account of the moral hazard.

Many an Insurance Company has paid off a bad loan of the bank's. Then from the bank's standpoint, experience has shown that in order to make a big commission on a highly-rated risk such as saw and planing mills, etc., etc.,—a branch manager is sorely tempted to renew what has become an undesirable loan, which he otherwise would have called in or made arrangements to have reduced.

When I was an insurance manager I cancelled every agency that was held by bank managers. My most expensive and exasperating loss was a case where we and other companies had been made unknowingly to cover a bank's interest and the assured proved to be hopelessly insolvent and disreputable.

Under no circumstances should a branch bank manager, no matter how honorable, attempt to serve two masters—It is only fair to add that the need of better salaries by bank officials should be met by the banks themselves. They can afford it.

Yours truly,
L. Lewis.

Montreal, Sept. 12, 1917.

CURRENT OPINION

PRICE REGULATION.

Review of Reviews.

Professor Seligman, of Columbia, discussing the theories of price-fixing, would divide all things sold and purchased into three groups, one very small, one including commodities of fundamental importance like coal, wheat and ships, to be completely under Government control; another consisting chiefly of certain important raw materials like copper and oil to be subject to price regulation, and all the remainder to be left free as to price to answer the law of supply and demand, with taxation of excess war profits derived from them to take the place of price regulation.

Professor Seligman is perhaps a little more than fair to the attitude of those who advocate price fixing, in his construction of a second group, the prices of which are to be fixed by the Government on the particular ground that high war prices would not increase production. Many will challenge his selection of oil and copper to form the backbone of this group.

As a matter of fact, the high prices of the war period have operated to increase enormously the supply of copper; in 1913 America's production was 612,000 tons; the production for 1916 was 964,000 tons. It is undoubtedly true that to-day a very important tonnage now coming from the lower-grade "porphyry" copper mines would be impossible with the metal selling at less than 15 cents per pound. So also with oil. A great number of individual wells—and also practically entire fields—which had to be passed over as unprofitable with oil selling at normal prices, are now being operated. The Kentucky oil fields in particular are illustrative.

ARMOR FOR CANADIANS.

Canada (London).

Photographs recently taken at the front show that the enemy has equipped some of his picked troops with body armour; and both sides are to-day giving their very careful attention to the perfection of some form of protection against shrapnel and splinters. The manganese-steel helmet adopted by the British has saved many lives, and is superior on the whole to that used by any other army. There are many devices made of metal or of folds of fabric which have been found to give considerable immunity to snipers, and also to bombers.

As nothing can be denied to our men to add to their safety or their efficiency, we would suggest that the question of body armour might well be taken up by the Canadian government. When a satisfactory substance and design are decided on, we would suggest that the cost of supplying this to the men in the front trenches should be borne by all municipalities or rural districts in Canada pro rata, according to their recruiting record. Those which have supplied the smallest proportion of their men of military age would be called upon to pay the largest amount of armour. This would seem an eminently fair way of meeting the recruiting situation, as, if the requisite drafts are not forthcoming from those districts which have available men, it is but fair they should be called upon to bear a larger share of the expense than other districts whose men have gone to the front.

WAR DEMANDS AN AUTOCRATIC GOVERNMENT.

Commercial West (Minneapolis).

Those citizens of this country who are inclined to worry over the increasing autocratic power displayed at Washington on account of the war, should remember that war and autocracy go together. Under the influence of peaceful industry great democracies arise and such forms of government are suited for times of peace. When the stress of war comes such government mechanism must of necessity become more or less autocratic. The food and fuel control law recently enacted illustrates this fact.

The complaint that our democracy is giving way to autocracy comes largely from those whose tissue paper patriotism makes only a thin veneer over their pro-Germanism. Others who protest are those who have neglected to distinguish between the needs of peace and war in government machinery.

The business interests that have developed the resources of this country under peaceful conditions, are sorry to see the change from democratic to autocratic control, but those who are at all familiar with history know that such change was inevitable. This great war is a tremendous business enterprise, and to be successful must be controlled by executives with considerable autocratic power. Vast industries may have a democratic ownership through wide distribution of stock, but autocratic management is essential to their success. The same rule applies to governments in war times.

This temporary change in our Federal government should serve as a valuable lesson to the socialists and all others who are forever arguing for government ownership of everything. When all great industries, including transportation lines, are handled by the Federal government, according to the socialistic dream of the millennium, we will be living under an autocratic rather than a democratic form of government. Until this war is ended they will have a chance to see how they like autocracy, and whether it is preferable to democracy for a commercial nation.

BOOKS RECEIVED

ANNUAL FINANCIAL REVIEW.

The Annual Financial Review of Canadian companies in which the investment public is interested has made its appearance for 1917 and provides an increasingly valuable precis of facts regarding Canadian securities. It contains over seven hundred pages and treats with assurance, banking, industrial, loaning, light and power, mining, transportation, telegraph, telephone and trust companies, giving a comprehensive review of the history of each, particulars of outstanding obligations, latest financial report, stock market record, etc. In addition there is a lot of general information of interest to those who follow the stock exchanges and the investment market generally, including market records, exchange memberships, tables on yields, and valuable statistics regarding the different war loans of Canada, Great Britain and France. The work is compiled with usual thoroughness by W. R. Houston, the publisher.

CANADA'S OPPORTUNITY AS A WORLD PROVIDER

Agricultural Resources of This Country May be Made to Play a Big Part in Solving Food Problems.

Special to THE FINANCIAL POST by Agnes C. Laut.

WASHINGTON.—When one of the most powerful and successful companies in the United States has to issue new preferred stock at 8%, in order to raise capital—please look at the percentage again, it is much higher than Canada's very high priced national loan—one does not need to prove that the process of tight money consequent on the tremendous war spending has set in. The world is beginning to feel the terrible financial squeeze; and that squeeze is going to work greatest hardship on young new countries without a reserve of capital and desperately in need of capital to develop.

In other words, while money is beginning to be very tight here, it is beginning to be still tighter in Canada. And yet, I see a big chance for Canada to meet her financial calls, if she makes ready to grasp an opportunity that is coming over the horizon. Sometimes, we see things clearer by standing back detached from them. Let us stand back from tight money in Canada and see what else is tightening up!

I have in Aberdeen a friend, who is, like myself, somewhat of a fool in the love of fine live-stock, and when his ships come to this side, we meet and swap what our friends call "back to the landers'" lies. That is —they are not lies, but they are enthusiasms that seem to cold outsiders loving fictions, like a woman's account of her pet dog's antics, or a mother's expectations of her boy's career.

Last March, when on this side, he complained to me that whereas America used to import her best foundation live stock from Belgium, Holland, Denmark, it was impossible for him in Scotland to procure such stock any more. He had just had to pay $200 each for young Holstein heifers —grades, not pure bloods—which were selling then on this side at about $50 to $60. Before the war, I sold a bunch of such at $30 to $38 each. Just now in America, they range round $85 to $90. It was about the *time* the same type of price regulating was being tried in Europe as is now being applied as a universal panacea in the United States. I asked him when he went back to Scotland to keep me informed of the effect on farm prices of the war and government regulation. I have just received his answer.

Some Live Stock Values.

The heifers he could have bought last spring for $200 are now selling at $600 to $1,000 each. Grant some of this is the price inflation of war! The greater part of the increase is the reaction of appalling scarcity. *Please to observe when plain cow goes to $1,000 in value, plain butter and cheese should be weighed with gold nugget for scales and milk should be put in the class of nectar.*

Now where is this appalling scarcity to be replenished? Just one section of the world—in America. When peace comes, there will be the inevitable drop in prices; but people must have just as much beef, cheese, butter, milk, hides, as in war. The hungry stomach must be filled; and soon as ocean tonnage rates drop, the reaction of these terrific prices will play on our markets. I happen to know, for instance, that one huge contract for condensed milk for Europe will run on whether war or peace. Indeed, the reaction is driving us into the maelstrom of high prices already. Only a year ago, the dairymen of the east were fighting to get increases of prices from 2 and 3 cents a quart for milk to 4 and 6 cents. Just now the dairymen's league is arranging a scale of prices for 7 and 8 cents. Many feeds that were $29 to $35 before the war are now $65 to $80. Holland and Denmark and Sweden are stripped of such feeds and are killing their cattle. Where are they to be replenished?

Canada's Opportunity.

Now come back to Canada! It is a fact not known to Canadians till they have left Canada, that northern forage crops and grains, owing to the long daylight, have a nutritive quality not found in milder climates. *Canada's pasture lots look like seas of grass compared to the close cropped fields of the United States; and there is practically no more free range in the United States.*

When I was a child in the Northwest, we used to burn millions of tons of wheat and oat straw. They do yet in Canada. Do you know on my farm in the east, I sell that straw for from $10 to $14 a ton? Canada is burning and wasting what a good part of the world will go hungry for. Canada's clover and field pease have a quality that spells "fat," which half Europe is starving for.

If Canada shaped her agricultural policy to feed Europe, not only wheat, but meat, after the war, she could dominate and supply the food markets of Europe for ten years after the war and help herself out of the slough of financial depression in which the war is bound to leave her.

But a good many picayune political doctors seem to think all you have to do to increase production is clamp the price lid down and sit on it; whereas, *the job for Canada is so to arrange prices as to stimulate the greatest possible production;* for we are entering on an era of high prices for food, which all the clamping down of the lid cannot prevent till production catches up to demand.

An American Market, Too.

On this side, Uncle Sam needs more meat and wheat than he can raise.

Canada can raise ten times more than she can eat.

On this side, free range and deep pasture no longer exist.

In the Canadian West, you can still stand waist deep in the wild grasses of the open prairie.

Canadian forage crops impart a quality to stock which the American farmer can obtain only by buying very high priced feeds.

In this country, only 30% of the people live on the land, and land cannot suddenly be made to yield big crops by city greenhorns. It is a ten year job to restore land and train a greenhorn. Canada is still a purely agricultural country.

The door of opportunity for Canada is wide open. Will Canada pass through the door? If she intends to, it will require something more than professional regulation of prices. It will require a big constructive policy on the part of the Government—cheap rail freights, cheap enough to handle $14 straw—cheap tonnage across the ocean, agents at both ends to handle sales with the biggest possible returns to the producer.

Farmers on this side are already grooming themselves for the opportunity. They see the chance to become to Europe what American banking interests have become—the supply base. What will Canada do?

ORGANIZING OUR INDUSTRIES FOR AFTER THE WAR.

Continued from page 9

our water powers, transmitting the electricity across the line and building up electro-chemical industries there. As a result of this policy we are: First, developing some of our best water-powers and allowing industries to be created in the United States based upon this power, although experience has shown us that one of the great drawbacks to the economic manufacture of mineral products in Canada is the fact that we have to compete with well established plants to the south of the line. Secondly, if, owing to lack of demand for power in Canada, we allow it to be exported to United States, creating vested interests in that country, it may be difficult to prevent the export of this power when it is required in Canada.

Extended reference of a technical character is made to the different chemicals which may be produced in Canada. It is pointed out for example that the only plant in North America manufacturing fertilizers, in which the nitrogen content is derived from the air, is that of the American Cyanamid Company, at Niagara Falls, Ont.

Iron and Steel.

Although iron ores are widely distributed throughout Canada, Mr. Dick emphasizes that the industry in iron and steel has been developed chiefly on the basis of imported ores. Ore production has averaged less than 400,000 tons per annum, and the bulk of this has had to find a market in the States, not being acceptable to Canadian furnace men. Statistics indicate that we are dependent on foreign imports for 75 per cent. of iron and steel goods consumed, and that even the iron ore manufactured into steel in Canada comes from outside sources. To encourage the smelting of Canadian ores it is evident that steps should be taken to encourage domestic smelting. Likewise it is important that we should consider the refining of our zinc copper and other metals at home, large shipments of these ores now being made out of the country. Some changes have been brought about by the war, but there is room for further improvement in this direction. We would refine more than required for home consumption, but an export market could be developed for the remainder.

Our Coal Resources.

There is some comfort—but not much—in Mr. Dick's report bearing upon the Canadian coal situation. He says that the country's deposits compare favorably with other great coal countries as to quantity and quality and accessibility. However, as the deposits are at the extremes of the country the central market is supplied by imported coal.

Regarding our supplies from the United States, the report observes that the supply of anthracite is limited, and there is no assurance that it will long be continued. With a continuance of present consumption the supply will last only a little over one hundred years. However, rising prices are likely to check production, and thus prolong the life of the mines. Various problems are outlined and dealt with as follows:

(1) Domestic fuel problem in central Canada.

(2) Imported bituminous coal fuel on the railways of central Canada and of part of western Canada.

(3) Domestic fuel problem in Prairie Provinces.

(4) Cheap power problem in Prairie Provinces.

It is the purpose of this paper merely to indicate how the foregoing problems may be solved:—

(1) The following solutions of the domestic fuel problem in central Canada are suggested: (a) The installation of by-product coke ovens at certain points on the St. Lawrence and Great Lakes system, the coke being used for domestic purposes in place of anthracite coal. (b) The development of a peat industry. (c) Eventually, no doubt, electric energy will, to a certain extent, replace coal for heating purposes in this area.

(2) In central Canada the electrification of some of our railways may, later, be found to be economically possible. The railway fuel problem in certain portions of Western Canada may be solved by the use of powdered coal (using western lignites or sub-bituminous coal); by the use of a suitable briquetted fuel made from lignites or bituminous coal, and by the further use of our own bituminous coal.

(3) and (4). Two questions of great importance in the Prairie Provinces today, the solution of which will become a matter of even greater moment in the future, are the problems of securing cheap power and an assured domestic fuel supply. In western Manitoba, in Saskatchewan, and in eastern Alberta water-power development costs are, in most instances, high. These districts are within reach of great deposits of lignite. It is, therefore, essential that something be done to utilize the low-grade fuels which underlie the greater portion of Alberta and part of Saskatchewan and Manitoba. To make the coal transportable and suitable for domestic and power purposes, it is necessary:

1. That it be of sufficient value to bear the cost of transportation.
2. That it withstand handling and a certain amount of weathering.
3. That it be a suitable fuel for domestic and power purposes.

BRITISH FOOD PRICES.

LONDON.—That most sorts of food are twice as dear as they were before the War is a statement very generally heard, and, unlike many general statements, it is uncommonly near the truth. No leading staple is three times as dear as it was, no leading staple is without some rise. The average would work out at rather more than double on the whole group of staples; but the quantities of each used differ so greatly that the mean so struck would not be very valuable. The following comparisons are of prices for August 1 for the four years 1914, 1915, 1916 and 1917.

The most important group of foods is the dry, or farinaceous, as used by man. It includes not merely wheat, but potatoes and other articles that, where used largely, reduce the call for wheat. **Among these we must include malting barley, for where no beer is drunk more dry food is eaten. This would necessitate our admitting malting barley, even if the Royal Society had not definitely advised the Government that beer has a distinct food value of itself.**

Dry Foods For Man's Use.

	1914	1915	1916	1917
Wheat (per 480 lb.)....	34/-	61/-	57/-	78/-
Flour (per 280 lb.)....	27/-	42/-	40/-	61/-
Bread (per 4 lb.).....	5½d.	10d.	9d.	12d.
Oatmeal (per ton)....	260/-	400/-	400/-	800/-
Ground rice (per cwt.)	9/-	12/-	19/-	30/-
Corn-flour (per cwt.)..	21/-	25/-	24/-	40/-
Potatoes (per ton)	80/-	80/-	280/-	100/-
Malt. barley (448 lb.).	36/-	42/-	59/-	86/-
Malt (per 336 lb.)....	42/-	46/-	63/-	90/-

WASTE OF MONEY ON PARLIAMENT BUILDINGS

Charge That American Plumbing Will Cost 150 Per Cent. More Than Superior Canadian Installation.

The business-like administration of Canada's national affairs has been one of the demands which THE FINANCIAL POST has been persistently making upon the Government at Ottawa. This demand has been emphasized since the outbreak of the war, and the recognition of the increasing necessity for careful handling of the public monies. It is high time that the heads of the government departments realized that public funds should not be squandered, but spent with the same regard for dollar-for-dollar value that would characterize private business. The national call for thrift does not ring true when there are evidences of extravagant and wasteful expenditure by public representatives who should be setting a good example to the people.

A flagrant example of reckless expenditure without regard for value received has been brought to our attention. This has to do with the expenditures on the new Parliament Buildings, and concerns the plumbing contract. Although the amount of money involved may not be considered great in relation to the proportion of the whole undertaking, there are some important principles involved.

Information regarding the matter has been supplied to THE FINANCIAL POST by E. Newsome, editor of Sanitary Engineer, and a competent authority on such matters. Not only does he contend that the system it is proposed to instal in the new Parliament Buildings is more than twice as costly as necessary, but he makes the point that the cheaper system is much superior. Further, and here is a point for Canadian contractors and the Canadian people to consider, the expensive, inefficient system which it is proposed to instal, is an American system, while the cheaper and efficient system being passed over would mean that the money would be spent in Canada. We give Mr. Newsome's views on the matter as follows:

> The material being called for in the government specifications is not the best or most practical to use for a sanitary plumbing installation. The soil, waste and drain pipe required is what is known as "extra heavy wrought iron galvanized pipe." It has been proved time and time again that "wrought iron pipe" is not the best material for the purpose although it costs as high as 150 per cent. more than material which has withstood the ravages of time for 250 years or more.
>
> The price of "extra heavy wrought iron galvanized pipe," the size required for all the soil, waste and vent stacks, is worth wholesale at present time, $198.64 per 100 feet. Then special weight fittings, of a special bore, will also cost an outrageous price. Extra heavy cast iron soil pipe and fittings cost only $81.00 per 100 ft.
>
> Regular cast iron soil pipe has been in use for over 80 years and has been found as free from defects, under various tests as it was when installed. In New York the Old Astor Hotel was pulled down not long ago, and cast iron soil pipe was removed after being in use for 80 years, just as good as new.
>
> In contrast at the City Hall, Chicago, wrought iron pipe is in a dreadfully corroded condition and has only been in use for about 10 years.
>
> The Waldorf-Astoria Hotel, New York, is having considerable trouble with wrought iron pipe—used for soil and waste pipes—corroding and the damages cannot be estimated. Rooms are found to be in an insanitary condition as a direct result of leaking wrought iron pipe, the walls of which are thoroughly broken down by corrosion.
>
> The Board of Health, Chicago, had to request the Pullman Co. of the town of Pullman, Illinois, to tear out wrought iron soil and waste pipes from upwards of 1,000 houses, because of the insanitary condition prevailing as the result of corrosion.
>
> The plumbing inspector at Ottawa a few years ago, had a clause embodied in the plumbing by-laws requiring that all vent pipes if wrought iron, "shall be galvanized." It has yet to be proved that galvanizing will prevent wrought iron from corroding after a certain number of years. One thing is sure, however, and that is that it cannot protect piping at the joints, because that portion has the face of the galvanizing broken and moisture will get in underneath, finally even more active corrosion will take place. Take, for instance, the life of a galvanized range boiler; only about 10 years. They are galvanized. There are no proofs that galvanizing will do better than put a few years on the life of the pipe.

Mr. Newsome has prepared the following detailed figures showing the actual cost of the required pipe and fittings if material made in Canada is used as compared with the extra heavy wrought iron galvanized pipe as called for by the government engineers.

CAST IRON PIPE.

Extra Heavy Cast Iron Pipe.

400	feet, 8 inch............	$ 590.00
395	feet, 6 inch............	
1,700	feet, 5 inch............	
8,600	feet, 4 inch............	
2,330	inch, 3 inch............	
370	feet, 2 inch............	6,248.75
	Fittings.	
25	Y branches, 8 inch......	140.00
16	Y branches, 6 inch......	
92	Y branches, 5 inch......	
480	Y branches, 4 inch......	
100	Y branches, 3 inch......	
20	Y branches, 2 inch......	891.00
12	8 inch bends	40.00
18	6 inch bends...........	
30	5 inch bends...........	
560	4 inch bends...........	
140	3 inch bends...........	
35	2 inch bends...........	
1	6 inch cast iron trap....	
34	4 inch cast iron traps....	
12	3 inch cast iron traps...	605.00
18,000	Caulking lead	2,615.00
1,000	Oakum	170.00
500	gallons Gasoline........	160.00
	Total cost	$11,259.75

WROUGHT IRON PIPE.

Extra heavy wrought iron galvanized pipe as called for by government engineers to be used instead of above material (current market price)..	25,910.00
Saving on Superior Canadian-made material	$14,650.75

In the foregoing figures it will be noted that full allowance is made for caulking lead, oakum and gasoline required in the installation of the cast iron pipe. However, after estimating the cost of the wrought iron pipe alone, at the present market, there would be a net saving of over $14,000 on the cast pipe, a better job would result and made-in-Canada materials could be used.

THE IMPORTANCE OF SILVER MINING

Some Interesting Views By Moreton Frewen Regarding Future of a Big Canadian Industry.

A very interesting communication on the question of silver values in relation to international financial settlements and exchange has been received from Moreton Frewen, of London. He advances the theory that the rising value of the white metal is of vast importance to Canada from a commercial standpoint in arranging settlements for our exports to foreign countries. A rising market for silver also means prosperity for the mining industry, it is pointed out. The letter follows:

Editor, THE FINANCIAL POST:—

When the position of silver as a precious metal in the world's international exchanges comes under international consideration after peace, as it must, the full importance of the "silver question" will, after forty years, be in evidence. There is no country more vitally concerned than Canada. Whether Asia can buy your Pacific Coast lumber and base metals, your wheat, ironstone, fish and fertilizers, the carbides and nitric acid from your neglected water powers — a hundred things must depend upon whether the rate of silver exchange—the rate at which the Shanghai merchant buys Vancouver or Winnipeg or Toronto gold exchange is high or low. Look at the fluctuations of the last two years. A Shanghai merchant two years since had to give about 8 taels for your five gold dollars or for a British sovereign, whereas to-day he buys five gold dollars and thus your goods for rather over four taels. The tael is an ounce and a third of silver.

But my letter has another purpose than to explore exchange conditions, however important. I have always believed that the wealth product of the silver miner is by far the greatest in the world, so that when silver mining is profitable all trade in ever-widening circles from each mine centre tends to be brisk. My friend the late Senator Jones, of Nevada, never failed to impress me with this merely local view of silver, but a view which I have come to see is of world-wide importance.

In the London weekly circular of the Dominion High Commissioner for July 28th is the statement that at the Cobalt mines 3,000 men earn an average daily wage of $3.60, or $3,240,000 a year. I see from the report of the Canadian Department of Mines that the silver production of Cobalt for 1915 was nearly 24,000,000 ounces which, at to-day's price of silver, is very nearly $7,500 per man per year. £1,500 a year! There is no other such wealth yield in all the catalogue of human endeavor. I give the following wealth statistics from the official figures of the Government of New South Wales for 1896 when I was out there.

New South Wales.

Population	Industry	Per Cap Prdtn.
12,000	Silver-lead	£256
5,060	Tin	25
160,000	Agriculture	21
25,070	Coal	47
16,000	Gold (alluvial)	14
	Quartz	34

Now £1,500 a year at the present price of silver, 44d. an ounce, would be, say, £500 a year if silver fell to 15d. the ounce. And even at 20d. an ounce I suppose there would be no profit whatever and all the Cobalt mines would shut down. I recall the vast fall in the price of silver in 1893 caused by the tampering with the standard of value (silver) in India and the closing of the Indian mints. That great fall of silver shut up by wholesale the scattered silver camps in the Rocky Mountains and Mexico; threw the adjacent railroads into the hands of receivers and the aftermath of that awful financial debacle transmitted itself in an ever-widening circle to every industry between the Atlantic and the Pacific. Only a catastrophic fall in the price of silver bullion could have had results so sinister.

Nothing, as I can see it, compares in importance for the future finance of Canada and to her export trades with 800,000,000 of small customers in Asia as do high rates of silver exchange. Silver should be at least as high as to-day if white men's industries are to thrive, and I hope not much later to see tael exchange at its old rating—three taels for one sovereign.

Nor should anyone sit in the Dominion Parliament who is wholly ignorant of this great problem of exchange. High silver exchanges with Asia are of vital importance to your silver miners, to your wheat growers, to your lumber exports, to the growth of your Pacific coast cities and yet the average member of Parliament has been taught to regard the issue as a "fad" — as invented by American "silver barons."

I am, yours faithfully,
MORETON FREWEN.
London, Sept. 4, 1917.

Investing by Small Payments

¶ The growth of the periodical payment plan for making safe investments is one of the most notable features of recent years in finance on this continent.

¶ The plan was introduced to Canada by this firm which is now helping investors throughout the country to invest while they save.

¶ Our circular will be sent to anyone interested on request.

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ROYAL SECURITIES CORPORATION, Limited
MONTREAL

MacLean's Magazine for September

Northcliffe

THE Big Feature is Lord Northcliffe's article — Federation after the War. This brilliant and mighty publisher and world-figure deals with the question of a federation of Great Britain and the United States, and of Canada's relation to such a federation.

It is a big thing for MacLean's to get this special and exclusive article from Lord Northcliffe, and the inference is: This great journalist and man of affairs deemed MacLean's worthy of his writings.

Lord Northcliffe is only 54 years old. In the years ahead he and his powerful papers, the "London Times" and "London Daily Mail," will play a big part in the shaping of the Imperial State.

MacLean

COLONEL JOHN BAYNE MACLEAN is a notable contributor, writing of the causes of the war, and of the post-war reconstruction as it relates to Canada.

Colonel MacLean discusses the steps that should be taken to win the war, and deals with the financial measures that Canada must consider for the after-the-war period.

Colonel MacLean is pre-eminently well-informed, and his long and intimate connection with International and Domestic financial affairs makes what he writes challenging and illuminating.

Harold McGrath's Great Story of Adventure and Mystery

This world-famous fiction-writer contributes a complete novelette—"The Rubies of Perak."

Other notable contributors are Stephen Leacock, Miss Laut, W. W. Jacobs, Allenson, Moorhouse, and J. D. Ronald, who tells of a smuggling enterprise by an American who temporarily fooled the Customs Department when he imported the plant for a new factory in a Canadian City.

"The Gun Brand," by Hendryx, a great story of the Canadian Northwest, is a feature of the September MACLEAN'S.

Three features liked by business men are the "Review of Reviews" Department where the best things in the current magazines of the world are condensed; the "Business Outlook" article, and the Department for Investors.

Now on Sale Everywhere—Fifteen Cents.

NEWS OF THE BOND MARKETS

DO AWAY WITH COMPETITIVE SELLING PLAN

Bond Dealers Reported to Favor a Government Organized Campaign.

FOR THE NEXT LOAN

Question of Possible Effect of a December Election on the Date of Flotation Beginning to Raise Uncertainty.

Business remains quiet in the bond market. Slow, but steady, absorption of the recent big city and provincial issues is proceeding but the impending Dominion loan is already exercising a decided influence on conditions. Altogether the manner in which the country has taken up recent offerings is creditable. Ordinarily the bulk of these issues would have gone to the United States but to-day this outlet is virtually closed and the selling of the bonds has had to be done at home. It is safe to say that were the Dominion financing out of the way, we would be having a very fair market at the present time. There are a few small municipal issues coming out and larger offerings are under consideration but it is unlikely that there will be any further important developments until after the war loan is out.

There is still no certainty about the war loan, and students of the market are beginning to ask what effect an election might have on the situation. Presuming that an appeal is made to the country in December, will Sir Thomas White float a loan in the thick of the political conflict? There are those who believe that he will be persuaded to wait until after the contest is over. The bond dealers, who will be called on to do the bulk of the organization and selling work, would probably welcome a decision to hold over the loan until the new year, not perhaps so much for political reasons as on account of the desirability of delaying the flotation as long as possible; and doubtless the campaign managers would prefer to see the loan kept in the background while the fight was on.

Whether the loan itself would suffer were it brought out while public attention was centred on the election, is a serious question. Apart altogether from the division of attention, which would undoubtedly result, there might be an inclination in some quarters to make political capital out of the loan. That this would be a most undesirable contingency is agreed. On which account, it might be better to avoid all possibility of such an outcome by postponing action until the fight was over.

Committee at Ottawa.

The bond dealers have again visited the capital and laid some concrete plans before the Finance Minister. It is understood that a radical change has been brought about in the bond dealers' views of what action should be taken. Briefly, the competitive idea, or what might be described as the business method of selling the bonds, has been discarded, as being inadequate to the needs of a difficult situation, and in its place a patriotic plan is being recommended. This would involve the commandeering by the government of the bond selling organizations of the country for the purpose of a thorough canvass of the Dominion and an appeal to every savings bank depositor on the patriotic ground of duty and obligation. This plan has practically the unanimous support of the Bond Dealers' Association, and was urged on the Minister as the most desirable way of achieving the desired objective.

Sir Thomas White during the week announced, that in furtherance of the general organization scheme, advisory committees of the Canadian Press Association and the Advertising Agents' Association had been appointed to collaborate on an advertising campaign. It would surely be desirable that an advisory committee of the Bond Dealers' Association should also be called upon to confer with these other committees. If the Association's plan is accepted, it would mean that practically all the advertising would be done by the government, and, as the government will be advised on selling plans by the bond dealers, it follows that the latter should have a considerable voice in the advertising. It is understood that the Bond Dealers' Association has appointed a publicity committee, and this might readily be utilized for the purpose.

Should Not Be Exceeded.

It is the view in some quarters that the Finance Minister should refuse to sell the bonds any cheaper than 5½ per cent. If the appeal is to the patriotism of the people, and if the loan is to bear the name of Loyalty, there is no reason why more than 5½ per cent. should be paid. Unfortunately, there is a tendency to emphasize yield rather than obligation in selling war loan bonds, which, of course, makes it essential to offer them at an attractive figure. But 5½ per cent. is an attractive price, as it stands, and it need not be exceeded if the right kind of appeal is made.

AN ONTARIO ISSUE.

Million Dollars' Worth of Bonds Offered to Yield 5.90%.

An interesting offering of Province of Ontario bonds has been made during the past week by A. E. Ames & Co. The issue consists of $1,000,000, 4 per cent. coupon gold bonds, dated March 1, 1916, and maturing March 1, 1926, giving them a present currency of about 8½ years. It forms part of an $8,000,000 issue made last year in connection with the purchase by the Hydro-Electric Power Commission of Ontario of the Seymour Power Co., the bonds going to the Sun Life Assurance Co., owners of the Power Co. The issue is now offered at 87.44 and interest, yielding 5.90 per cent., which, as A. E. Ames & Co. state, is the most attractive basis on which Ontario bonds have ever been offered to the investor.

The issue is also being offered at the same price by the Canada Bond Corporation.

RECENT SALES.

A Few Municipal Issues Finding Their Way on Market.

A. E. Ames & Co. have purchased privately an issue of $30,000, 5½ per cent., 30-instalment bonds of the Town of Bridgeburg.

W. A. Mackenzie & Co. were awarded the five issues of bonds recently offered by the rural municipality of Assiniboia, Man. These aggregate $26,492.42, and are all 5 per cent., maturing in 5, 7, 10 and 20 years respectively.

J. A. Thompson, Winnipeg, reports the recent purchase of the following Saskatchewan rural telephone company issues:— Maple Rush, $10,500, 7 per cent., 15 year, and Alpha, $2,900, 7 per cent., 15 years. Also the following Manitoba school district debentures:— King George, $2,000; North Lakeland, $2,000; Germania, $2,000; and Cory Lake, $2,000, all being 7 per cent., 20 years.

INVESTMENT BANKERS.

Convention in United States Postponed on Account of Loan.

The possibility of a confliction of the dates of the sixth annual convention of the Investment Bankers' Association of America and the campaign of the next Liberty Loan, has caused the officers of the association to set the date of its annual meeting as of November 12. The convention will be held in Baltimore, but as yet it has not been decided the number of days the convention will be in session.

"This action," stated Secretary Frederic R. Fention, "is taken on account of the fact that a very large proportion of our membership took a leading part in the distribution of the last Liberty Loan, and have offered their services to the government for the distribution of the next issue, and because it seems likely that the original dates fixed for the convention might fall within the period during which the next campaign will be under way."

A NEW GUARANTEE.

Toronto City Council Approves Harbor Board Bonds for Hypothecation.

The action of the Toronto City Council this week in rescinding a by-law guaranteeing $4,000,000 of Harbor Board debentures and passing a new by-law under which the bonds, whether sold or merely pledged, bear the corporation's guarantee, was merely a piece of permissive legislation. The Board of Harbor Commissioners will require $2,000,000 to carry forward their operations beyond the present year, and in order to provide for a possible loan and the consequent hypothecation of the bonds, the new guarantee was secured. It is very doubtful whether the loan will be made.

The city of Montreal now claims to take rank as the fourth city of the continent in point of population, the order being New York, Chicago, Philadelphia, Montreal.

London's assessment this year is $338,000 greater than in 1916, the total as shown in the report completed by Assessment Commissioner Grant being $40,676,000. This increase is considered satisfactory in view of a loss of $360,000, due to the Ontario temperance act. The population this year is 55,877, a decrease of 1,414, which is accounted for by the removal of practically that number of soldiers who were in London last year.

DESCRIPTION OF RUSSIAN LOANS IN U.S.

Recent Happenings Have Alarmed Investors in These Securities.

THREE LOANS WERE FLOATED

Most Investments in Rouble Bonds Were Predicated in Satisfactory Recovery in Exchange Rates.

Recent developments in Russia, with the attendant slump in the exchange rate on roubles, are doubtless proving of no little interest to those investors, both here and in the United States, who have purchased securities of the Russian Government during the past year or two. For their convenience, a record of the various Russian loans in America may prove of value. Such a record has been compiled by the Wall Street Journal, and is as follows:

There have been three Russian Government loans which interested this market to some extent. First, was a loan for $50,000,000, bearing interest at the rate of 6½ per cent., which was floated in this market in June, 1916. This loan was negotiated by a syndicate of New York bankers and carried the unique feature of a reciprocal arrangement whereby the Russian Government undertook to establish in Petrograd a credit of 150,000,000 rubles in favor of the American group of bankers, at a fixed ratio of three rubles to $1, ruble exchange at that time ruling in New York at about 31c. per ruble. The credit here was to run for three years and to be payable by the Russian Government in dollars in New York. This fact should not be overlooked, whatever be the discouragement in regard to the prospects in rubles.

Another external loan brought out by the Russian Government in this market was for $25,000,000. It was a 5-year 5½ per cent. issue, dated December 1, 1916. Principal is payable here or at the option of the holder in rubles at the Imperial State Bank of Russia at the current commercial rate of exchange in Petrograd at sight on New York. Interest is payable in New York. Although this loan was advertised as a $50,000,000 issue, the amount actually offered was $25,000,000, the underwriting syndicate retaining an option on $25,000,000 additional. The loan is the direct obligation of the Imperial Russian Government, but not a mortgage.

Last year American investors also became interested in an internal Russian Government loan, opportunity for subscribing to this loan was offered in this country. The amount authorized was 2,000,000,000 rubles, issued in two series of rubles, 1,000,000,000 each, for a term of ten years. The loan is dated February 14, 1916 (American calendar), bears interest at 5½ per cent. and is due 1926. Interest is payable February 14 and Auguse 14 at the Imperial Bank, its offices and branches, at the Treasury offices in all cities where there are no institutions of the Imperial Bank and at all Imperial Savings Banks. Both principal and interest are payable in rubles and their value in United States dollars is dependent upon ruble exchange rates. This is a loan in which investors are therefore particularly concerned about the present movement of Russian exchange. Just what amount of their bonds was taken here is not known.

Early in the war there was a Russian acceptance credit of $25,000,000 established here, but this was subsequently paid off. In addition, there have been various banking credits extended which are estimated to amount to about $10,000,000.

NEW TREASURY LOAN.

Quarter Billion of Treasury Certificates Offered in United States.

Secretary McAdoo has offered for subscription at par (through the Federal reserve banks) $250,000,000 of Treasury certificates of indebtedness payable on November 30, 1917, with interest at the rate of 3½ per cent. per annum from August 28, 1917. Subscriptions will be received at the Federal reserve banks until 12 o'clock noon, August 25, 1917, their local time.

Payment for certificates allotted must be made on August 28, 1917, to that Federal reserve bank through which subscription may have been made. The right is reserved to reject any subscription and to allot less than the amount of certificates applied for.

To Issue Interim Certificates.

Interim certificates may be delivered in the first instance, which will be exchangeable for the definitive certificates of indebtedness when prepared. Certificates will be in denominations of $1,000, $5,000, $10,000, and $100,000.

The act of Congress approved April 24, 1917, provided that these certificates shall be exempt, both as to principal and interest, from all taxation, except estate or inheritance taxes, imposed by authority of the United States, or its possessions, or by any State or local taxing authority.

May Be Redeemed As Whole.

Upon 10 days' notice, given in such manner as may be determined by the Secretary of the Treasury, the series of $250,000,000 certificates now offered may be redeemed as a whole, at par and accrued interest, on or after the date set for the payment of the first installment, payable after allotment, of the subscription price of any bonds offered for subscription by the United States hereafter and before the maturity of the certificates. The certificates of this series, whether or not called for redemption, will be accepted at par, with an adjustment of accrued interest, if tendered on said installment date as payment on the purchase price of any such bonds issued and allotted hereafter and before the maturity of the certificates.

SEALED TENDERS, addressed to the undersigned, and endorsed "Tender for Metallic Fittings, No. S-1811," will be received until 4.00 P.M., on Wednesday, September 26, 1917, for the supply of Filing Sections for Dominion Public Buildings, Ottawa.

Plans, specification and forms of contract can be seen and forms of tender obtained on application to the office of the Caretaker, Post Office, London, Ont., the Overseer of Dominion Buildings, Post Office, Montreal, the Clerk of Works, Postal Station "F," Toronto, and at this Department.

Persons tendering are notified that tenders will not be considered unless made on the forms supplied, and signed with their actual signatures, stating their occupations and places of residence. In the case of firms, the actual signature, the nature of the occupation, and place of residence of each member of the firm must be given.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, equal to ten per cent. (10%) of the amount of the tender, which will be forfeited if the person tendering decline to enter into a contract when called upon to do so, or fail to complete the contract. If the tender be not accepted the cheque will be returned.

The Department does not bind itself to accept the lowest or any tender.

By order,
R. C. DESROCHERS,
Secretary.

Department of Public Works,
Ottawa, September 12, 1917.

Newspapers will not be paid for this advertisement if they insert it without authority from the Department.

DEBENTURES FOR SALE.

Town of Petrolia, Ont.

DEBENTURES FOR SALE

SEALED tenders will be received by the undersigned up to 5 o'clock p.m., on Monday, the 24th day of September, 1917, for the purchase of debentures of the Corporation of the Town of Petrolia, to the amount of $27,500.00, bearing interest at the rate of 6 per cent. per annum and repayable in 20 equal instalments of principal and interest.

The highest or any tender not necessarily accepted.

JOHN McHATTIE, Town Clerk.

Now is the Opportune Time
to Purchase
Canadian Government
and
Municipal Bonds
List of Our Offerings Forwarded on Request
DOMINION SECURITIES CORPORATION LIMITED
HEAD OFFICE: TORONTO 26 KING ST. E.
MONTREAL ESTABLISHED 1901 LONDON, ENG.

High Yield Bonds
Returning Well Over Six Per Cent.
Several corporations which have been doing a successful and profitable business for a number of years have outstanding bond issues marketed several years ago at rates to yield 6% or less. Some of these bonds, as well as bonds of newer issues of the same class, can now be purchased to yield about
6½%
We recommend these bonds to investors desiring a high yield with the protection afforded by established businesses with proven net earnings several times the amount of their bond interest.
Write for list.
A. E. AMES & CO.
Investment Securities UNION BANK BUILDING, TORONTO *Established 1889*
Transportation Building - Montreal
74 Broadway, New York

THORNTON DAVIDSON & CO.
Members Montreal Stock Exchange
STOCK AND BOND BROKERS BONDS FOR INVESTMENT
Orders Executed On All Markets
Rooms 420-421-422 Transportation Building, Montreal, Quebec.

A. H. MARTENS & COMPANY
(Members Toronto Stock Exchange)
Dealers in
Government, Municipal and
Corporation Bonds
Write for list with full particulars.
ROYAL BANK BUILDING, TORONTO, CANADA
61 Broadway New York, N.Y. Dime Bank Bldg. Detroit, Mich. Harris Trust Bldg Chicago, Ill.

Business Founded in 1795
AMERICAN BANK NOTE COMPANY
(Incorporated by Act of the Parliament of Canada)
BANK NOTES, BONDS, STOCK
CERTIFICATES, CHEQUES AND
OTHER MONETARY DOCUMENTS.
SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES.
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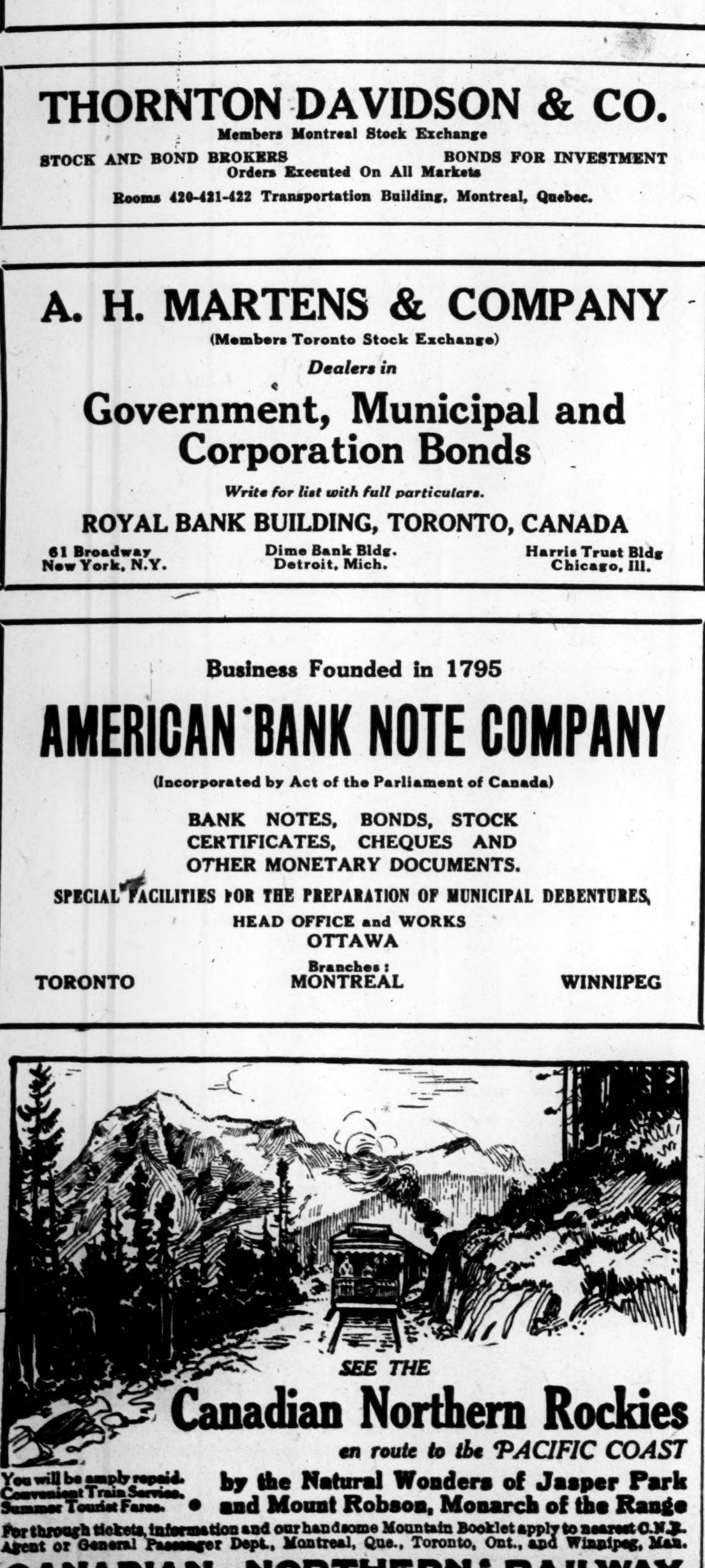
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and Mount Robson, Monarch of the Range
You will be amply repaid.
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We are prepared to buy or sell the various domestic War Loans at most favorable rates.
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BANK OF NOVA SCOTIA BUILDING
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We own and offer well secured Municipal Corporation Debentures affording a net annual return of 6% upon the investment.

List of securities suitable for individual requirements or trust fund investments mailed on request.

Beausoleil, Limited

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Montreal

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures"

Paid-Up Capital	$2,410,925.31
Reserve - -	685,902.02
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VICTORIA REGINA CALGARY
VANCOUVER EDMONTON
LONDON, ENG. EDINBURGH, SCOT.

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

MONDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board,

GEO. H. SMITH,
Secretary.

Toronto, August 29th, 1917.

FIELD OF MUNICIPAL FINANCE

RECOMMENDS AN INCOME TAX FOR SASKATOON

Commissioner Yorath Makes Special Report on Assessment and Taxation.

SOME REMEDY IS NEEDED

Land Tax Is Proving Inadequate and Owners Unable to Pay the Rates —More Equitable System Needed.

(1) That the present assessment of land values be reduced by an average of 25 per cent. and the City Assessor be instructed accordingly.

(2) That the assessed value of improvements be increased from 25 to 40 per cent. of their fair actual value.

(3) That the present business license fees and business tax be abolished and that application be made to the Provincial Legislature to amend the City Act so as to enable the city to broaden the basis of taxation by imposing an Income Tax based upon the system in vogue in the State of Wisconsin and the system recommended by the Winnipeg Commission.

(4) That application be made to the Provincial Legislature for an amendment to the City Act which will enable the city to impose an unearned increment tax, not exceeding 25% of the enhanced value, or difference in buying and selling price of all real estate bought or sold after the 1st day of January, 1918; the fund to be raised by this tax to be used as a reserve for financing the city's current or capital account as it deems best.

Such are the recommendations placed before the city council of Saskatoon by Commissioner Yorath for the solution of difficulties connected with the financing of the city. They are contained in a special report upon assessment and taxation, which has just come to hand, and in which a very lucid and comprehensive explanation of the situation is set forth by the investigator.

The remedy of reducing controllable expenditure has, of course, been tried in Saskatoon and Commissioner Yorath furnishes figures to show to what extent this has been carried.

Controllable expend.,	1913	$627,666
" "	1914	515,000
" "	1915	422,348
" "	1916	388,551
Reduction in three years		$557,099

Reduced Assessment

As a result of the diminished expenditure, it has been possible to reduce the assessment and this has been brought down as follows:

	Gross	Net
1913	$60,048,376	$56,336,371
1914	60,473,019	56,639,584
1915	51,590,585	48,170,635
1916	40,475,050	36,290,839
1917	39,001,079	36,290,839

Although there has been a reduction of $20,045,532, or 35 per cent., in the assessment since 1913, the tax rate has only increased from 18 mills to 19.30 mills in 1917, a result secured by the reduction in controllable expenditure.

Arrears of taxes, as at July 20, 1917, were made up as follows:—

	Gen. and Locals	Schools	Total
1912	$ 24,903	.....	$ 24,903
1913	80,599	$19,930	100,530
1914	116,142	40,362	156,504
1915	112,206	41,450	153,656
1916	202,448	85,473	287,921
	$536,299	$187,216	$723,516

Why Arrears Grow.

One reason why arrears have become so large is that no tax sale was held during 1913 and 1914. Another is the present very high assessed value of unimproved land. Although a reduction of 35 per cent. has been made in the assessment in three years, the assessed value of land is excessive and the question of a considerable reduction will have to be decided by the council before the 1918 assessment roll is made.

Mr. Yorath presents a schedule showing the per capita and per acre assessment of land in various Canadian cities, showing that the Saskatoon rates are very high.

	Per Capita	Per Acre
Brantford	$256.17	$2,271
Hamilton	330.10	4,712
Halifax	204.50	1,880
Ottawa	539.32	10,243
Montreal	772.11	18,752
Winnipeg	980.56	12,799
Calgary	1,216.53	2,642
Edmonton	2,098.53	4,087
Victoria	1,209.86	13,046
Saskatoon	1,626.95	4,089

At present, it is shown, the city of Saskatoon derives its revenue from the following sources:—

Land (inc. school levies)	$654,558
Improvements	72,431
Business tax	25,000
License fees	21,000
Income tax	3,637
Profit on utilities	51,500
Miscellaneous	70,735

The city in 1911 reduced the assessment on improvements from 60 per cent. of the fair actual value to 50 per cent.; in 1912 from 50 per cent to 35 per cent. and in 1913 from 35 per cent. to 25 per cent., at which value improvements are still assessed. According to a recent amendment of the city act, the assessment of improvements can be increased to 60 per cent.

In considering any readjustment of the burden of taxation, says Commissioner Yorath, although it will be necessary to reduce the amount of taxation upon vacant and unremunerative property, it will also be necessary not to increase the present taxation upon improved property. To do this the basis of taxation will require to be broadened.

Mr. Yorath concludes his report with an explanation of the Wisconsin income tax plan, which he highly recommends, and in support of which he quotes at length Winnipeg's proposed income tax law based on the Wisconsin plan.

WAS OPTIMISTIC.

Finance Commissioner of Toronto Hopeful for Western Cities.

Interviewed in Winnipeg on his way back from the coast. Finance Commissioner Bradshaw of Toronto stated that he had made a careful examination of the financial affairs of Calgary, Vancouver and Victoria. In all these cities large expenditures had been made on civic improvements, in connection with the development of suburban properties. The growth which had been expected did not occur and the present financial stringency in these cities was the result.

Mr. Bradshaw quoted figures to show how wisely the municipalities of Canada were acting since the war commenced. In the first seven months of 1915 municipalities had borrowed $46,000,000 for improvements. In the first seven months of 1916 this sum was reduced to $36,000,000 and the first seven months of 1917 it was further reduced to $16,000,000. There was a double benefit from this reduction, money was left available for war purposes, and work was left over until the men came back from the war.

The future prosperity of the large cities of Western Canada, said Mr. Bradshaw, is assured, of that there is no doubt.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Sept. 24, Petrolia.—$27,000 debentures at 6%, payable in 20 instalments. John McHattie, Town Clerk.

Sept. 17, Smith's Falls.—$135,000 Hydro-Electric debentures at 6%, payable in 20 instalments. J. A. Lewis, Town Clerk.

Sept. 17, Aurora.—$8,000 waterworks extension debentures, 20 years, 6%. Dated Sept. 10, 1917. C. A. Petch, Clerk. W. J. Baldwin, Mayor.

Sept. 27, Acton.—$25,000 debentures at 6%, 20 instalments.

BY-LAWS TO BE VOTED ON.

Oct. 6, Bradford.—$15,600 debentures for installing and distributing Hydro-Electric power.

DEBENTURE NOTES.

Prince Rupert, B.C.—At a meeting of council on August 27, a resolution was passed calling for the submission of a by-law for the issuing of $10,000 serial bonds to finance an extension of water mains. The mayor was also authorized to arrange for the sale of the bonds.

Scarboro Township.—The application of School Section No. 7 for a debenture issue of $10,000 to finance construction of a school has been granted by the township council.

BOND SALES.

$1,000 Asbestos at 72; $12,000 Bell Telephone at 95¾ to 94¾; $6,500 Canada Bread at 92 to 91; $12,400 Can. Cement at 97; $5,000 Can. Car at 97¼; $5,000 Can. Cottons at 81; $100 Cedar Rapids at 85; $1,000 Dom. Cotton at 98½; $6,000 Dom. Iron at 88; $19,000 Lyall at 93 to 92½; $13,000 Mont. Power at 88; $4,600 Mont. Trams. Debs. at 74¾; $1,000 N.S. Steel at 82; $500 Rio Janeiro at 85; $52,500 War Loan (1925) at 97½ to 96⅞; $134,900 War Loan (1931) at 96⅜ to 96; $473,000 War Loan (1937) at 95⅜ to 95⅛.

WANTS TO STOP EXPROPRIATION PROCEEDINGS

Montreal Ratepayer Petitions for an Injunction Against the City.

SHOWS UP CIVIC FINANCES

Claims That City Has Been Piling Up Such a Debt That It Is Unable to Raise Revenue for Ordinary Needs.

The seriousness of Montreal's financial position has been disclosed by the action of Huntly Drummond, president of the St. Denis Land Company, in petitioning for an injunction restraining the city from proceeding with the expropriation of property in connection with the widening of St. Denis Street. The main details of the petition are as follows:—

"It is estimated that for the purpose of the expropriation in question, the construction of the subway and the legal costs in connection with the proceedings, the city will have to pay out approximately the sum of $300,000.

"The city has at present a debt of some $102,000,000, which is out of all proportion to its assets and revenue, and that such obligations should commit the civic administration to a regime of prudent financing and of the strictest economy.

"The enormous debt has, to a large extent, been created by the unwise policy of indiscriminate expropriation, as a result of which the city has in the last six years paid out for expropriations, street widenings and land purchases the sum of $11,250,000.

"As a result of this enormous debt practically half of the said city's revenue is eaten up by interest charges.

"Since the year 1915 the Legislature has had to come to the rescue of the city on several occasions by giving authority to float special loans amounting to several million dollars to cover the yearly deficits, the charter of the City of Montreal being amended for this purpose three times, namely an amendment authorizing a loan of $400,000, being assented to on March 5, 1915, an amendment authorizing a loan of $2,000,000, being assented to on March 9, 1916, and a third loan of $1,400,000, being assented to on December 22, 1916.

"The authorization for all these loans was secured by most urgent pleas that they were immediately needed for the most pressing wants, such as street repairs, street watering and cleaning.

"Notwithstanding these provisions it has been necessary to cut down the appropriation which in past years has ranged from $300,000 to $400,000 for the purpose of pavements, the sidewalks and macadam to the insignificant sum of $5,000, and that the Chief Engineer, Mr. Mercier, has had to inform the Board of Control that he has practically stopped all street repair work.

From Bad to Worse

"Matters are going from bad to worse and Controller Villeneuve, who is the commissioner in charge of civic finances, announced June 17 of this year that there would be a deficit of some $3,000,000.

"The fault for this dreadful state of the civic finances cannot be charged to decreasing revenue. This is apparent from the fact that, in the last six years the city revenue has practically doubled, having risen from $6,616,701, in 1910 to $12,231,492 in 1916. The fault is directly traceable to the civic maladministration and particularly to ruinous expropriations such as the one now proceeding for the enlargement of St. Denis street above mentioned and the construction in connection therewith.

"A grievous light is shed on the seriousness of the financial situation by the fact that while the city was authorized to float a special loan of $1,400,000 and issue bonds for this purpose, not a single offer was received from the bond houses of Montreal, New York and Philadelphia and other cities, who had been invited to bid.

"Such is the plight of the City that the police force is dangerously undermanned. Private citizens have had, in certain cases, to pay out of their own pockets to retain men to do patrol duty so as to provide the protection which should be afforded them by the city.

Three Million Deficit.

"Notwithstanding these facts, namely that the city has an enormous debt, a yearly deficit which this year will approximate $3,000,000, and which can only be met by borrowing money, that it cannot provide adequate funds for the most essential wants of the citizens, namely the proper watering, cleaning and repairing of the streets, that its police force is unable to give sufficient protection, that the property, health and safety of the citizens are shamefully neglected, the city still persists in going on with the expropriation on St. Denis street to hear further evidence and urge an award which will be rendered by the Commissioners appointed for that purpose. It is contemplated to spend a large sum of money on the enlargement of the subway and that as a consequence the city will have to borrow another $300,000 for a purpose which, in view of the present conditions, is unwarranted and detrimental to the best interests of the citizens.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Sept. 7	King George, S.D., Man.	J. A. Thompson, Winnipeg	7%	20-yr.	$2,000	....	....
" 7	North Lakeland, S.D., Man.	J. A. Thompson, Winnipeg	7%	20-yr.	2,000	....	....
" 7	Germania, S.D., Man.	J. A. Thompson, Winnipeg	7%	20-yr.	2,000	....	....
" 7	Cory, S.D., Man.	J. A. Thompson, Winnipeg	7%	20-yr.	2,000	....	....
Aug. 30	Assiniboia, R.M., Man.	W. A. Mackenzie & Co., Toronto	5%	Var.	26,492.42	....	....
Sept. 11	Bridgeburg	A. E. Ames & Co., Toronto	5½%	30-ins.	30,000	....	....

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Surplus to Policyholders
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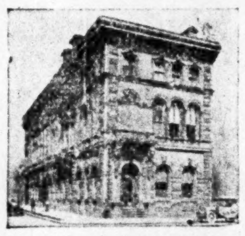

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INVESTORS' INSURANCE NOTES

LIFE POLICIES FOR 1917 WILL BREAK RECORD

Sun Life Assurance Company Has $41,000,000 in Applications.

$6,500,000 INCREASE

Over Corresponding Period of Last Year — Lapses Lowest on Record — Costs Also Below Average.

All the reports that have reached THE FINANCIAL POST in regard to the amount of life insurance that is being written up this year indicate not only that the record established last year will be equalled, but that the increase of 1916 over 1915 will be maintained and probably surpassed by the gain of 1917 over 1916. It is always a little difficult to estimate accurately at any period of the year what the "issued and paid-up insurance" will turn out to be, but on the basis of applications that have been made, the outlook is as stated.

An encouraging report was made this week to THE FINANCIAL POST by Frederick G. Cope, secretary of the Sun Life Assurance Company. The applications to date, said Mr. Cope, amounted to $41,000,000, which shows an increase of some $6,500,000 over the corresponding record of last year. This figures out at about 15 per cent. advance, and if this increase is maintained would show a total volume of policies issued and paid for of nearly $50,000,000 compared with $42,772,296 for last year.

Lapses Smallest on Record.

Another encouraging feature of the experience of the Sun Life Assurance Company for the present year is that the percentage of lapses is likely to prove the smallest on record, as it is running considerably below that of last year.

Unlike the case of many companies where the costs of doing business are mounting up steadily, Mr. Cope states that the cost of securing $1000 of insurance to the Sun is getting lower and is much below what it was ten years ago. One reason is that the commission paid is less than it was, and while there has been some increase in the salary list, the increased business written up by the employees more than compensates for this.

"While there has been some increase in losses through war insurance, these really amount to so small a percentage of our other business that they have a very small effect on our total profits. On the other hand the assets of the company are growing year by year and this means that the interest earnings of the company are growing proportionately."

ABSORPTIONS IN ENGLAND.

Two Mergers Reported to Have Been Completed There.

It is reported from London that the Commercial Union Assurance Co. has made an offer for control of the National Insurance Company of Great Britain, which has its head office at Glasgow. The National has an authorized capital of £1,000,000, of £250,000 was subscribed for and issued in £5 shares, with £1 paid up. The Commercial Union offers £6 2s per share for National stock, of which £6 is to be paid in war loan.

It is also announced that the British Dominions and Eagle Company has perfected its arrangements for absorbing the Star Assurance Society, and that the plan elaborated will be put into effect almost immediately. The first named company is to give £10 of five per cent. war loan and one British Dominions and Eagle share for every five Star Assurance Society shares.

It will be recalled that the British Dominions General Insurance Company, Limited, a young and progressive company, recently absorbed the Eagle Insurance Company, one of the oldest of British insurance institutions, and subsequently absorbed the Sceptre. When the latest fusion is completed the paid-up capital of the big concern will be £635,000, its total assets £12,335,000 and its annual premium income £2,800,000.

A PENSION SCHEME.

Sun Life Makes Generous Provision for Its Office Staff.

A number of insurance companies are now preparing pension schemes for all their employees. The latest is that of the Sun Life Insurance Company of Canada, which announces that it has adopted a pension scheme for all its office help, male and female. The plan has the double merit of simplicity and proved effectiveness. It calls for no contributions whatever from the employees themselves, the entire cost being a charge on the company. Under its terms the age for retirement is set at 60 years for women and 65 for men. At the age indicated an employee can retire on a pension equal to as many 60th's of his average salary for the previous five years as he has seen years in the service of the company. Thus an employee who has reached the retiring age after 30 years of service, retires on a pension equal to one-half of his average salary during his last five years with the company. In no case will the retiring allowance amount to more than 70 per cent. of such average salary.

In addition to the pension scheme they have adopted a scheme of continuous bonuses so that every woman clerk on the completion of her first three years with the company will receive a special cash bonus of $150, at the end of her second three years $200, and at the termination of her third three-year period with the company, $250. For each complete year of service thereafter, a bonus of $100 will be awarded.

HEALTH INSURANCE.

Insurance Man Argues Against Compulsory Application.

Opposition to the principle of compulsory accident and health insurance is voiced by Frederick Richardson, United States manager of the General Accident, Fire and Life Assurance Corporation. In a letter to the Massachusetts Special Commission on Social Insurance, he says:

"We are opposed to it on the ground that a large number of organizations—mainly mutual but in part stock company like our own—are already operating machinery which in a considerable measure, and in a larger measure in the future, is and will be able to meet the needs of a class of insurers who are becoming more and more responsible and therefore more alive to the need for insurance. We are able to provide protection for the responsible members of this class at equitable rates of premium and certainly at lower rates than they will have to pay if the premium fund has to provide for the derelicts of society and carry the burden of experiments in social legislation and post facto but not preventive medicine. While we oppose any scheme which is calculated either directly or indirectly to destroy the capital value of the machinery we have set up, we are sincerely interested in the evolution of new social values by an increase in the well-being of the community and a wider distributions of benefits, of privileges and of duties in the commonwealth.

"We, therefore, recognize the legitimate objection of those more far-seeing leaders of organized labor to a system which will have the effect of broadening instead of narrowing caste and class differentiation. Education in a wider sense, leading to a school of character and manners such as distinguishes the great public schools in America and in England, will tend to obliterate caste differences, while a fair distribution of wealth will continue to make the gradations between class and class tolerably easy. Anything, therefore, which fastens a stigma upon a large section of the aspiring youth of the country must lead to a new class differentiation in which the dependence of the masses, and the masses alone, upon extraneous and cast iron systems of adjustment will constitute for them a condition of scientific slavery. They prefer, therefore, to help the working classes win for themselves the things they deem to be desirable rather than have them lose their dignity and identity as equal citizens by exchanging their present uncertainties for the security and protection which is afforded to domestic animals on a well-kept stock farm. If they are not quite satisfied with the consideration in the social contract as is applied to the proletariat they are at least prepared to fight for their country in consideration of what they have already. On the other hand, slaves never fight unless they are drugged into the belief that they are not slaves.

"Such, briefly, is an outline of our views. We hope that in your important deliberations you will not be guided entirely by what has been done in England. There it has been necessary to supplement the wages of unorganized, under-paid labor by ameliorative legislation granting indirect benefits. It is a temporary expedient which will be abandoned when the State sets up machinery for the regulation of wages as it has done in Australia with considerable success and without resort to this expedient which you are now considering. Regulate sweatshops and the wages paid, and hygenic conditions in connection with same, and your problem is more than half solved."

NEW WAR RISK PLAN OPERATES IN ENGLAND

New Scale of Premiums For Controlled Lines to be Fixed.

LIABILITY NOW FOR 100%

Up to Present Owners Have Insured Vessels by Entering Them in Mutual War Risk Associations.

Under the British Government's new scheme of war risk insurance just put into effect, the government assumes liability for 100 per cent. of the risk instead of 80 per cent. as hitherto. Similarly it will accept liability for such "excess lines," i.e., those which hitherto have been accepted solely by the clubs, as may be approved.

It has been arranged that the London group of war risks' associations will continue to issue 91-day and voyage policies on hull and machinery, but it is anticipated that 91-day and voyage policies on government value and excess value of hull and machinery will be wholly reinsured with the government, so that members will be relieved from the burden of paying calls for losses upon these lines. This arrangement does not apply to freight premiums and disbursements, etc., lines.

Recovery by Owners.

Under this new scheme owners of government controlled liners will be entitled, in the case of loss, to recover in respect to hull and machinery their ascertained value, or alternatively the insured value, which will be subject to revision later.

The cover, which has hitherto been given to T. 99 owners under the standard form in respect of the difference between ascertained value and the entered value, will, as a condition of the relief now proposed, be put an end to, and, if necessary, in order to give effect to this, the committee purposes to exercise the right and power of making the necessary reduction of valuation in the policies.

It is intended by the government that a new scale of premiums for controlled liners and free ships shall be fixed to come into operation. There will also be modifications affecting free ships engaged in certain trades as to the right to insure under time policies.

All steamers will remain entered in the associations and the pensions and dependents, etc., schemes will continue to be administered as heretofore.

Up to the present, owners have insured their vessels against war risks by entering them in mutual war risk associations, 80 per cent. of the risk being reinsured with the Government War Risks Office. The values so insured usually fell short of the market value and the associations were allowed to effect further cover on their own individual accounts. In operation it frequently occurred that original entry premiums proved insufficient to meet the claims, and calls based on the tonnage entered were made on the owners. Under the new scheme the Government becomes responsible for the insurance of hulls and machinery up to 100 per cent. and thus the necessity for calls will be obviated.

AUGUST LOSSES.

A Heavy Month, Far in Excess of August of Last Year.

The losses by fire in the United States and Canada during the month of August, as compiled from the records of The Journal of Commerce aggregated $21,751,100, as compared with $16,143,050 in July, and $10,745,000 in August a year ago. The losses this August were largely increased by the heavy oil losses in the Southwest and the fire in the munition factory at Riguad, Que. The losses by fire thus far this year reach a total of $180,515,875, as compared with $159,535,220 for the first eight months of 1916, and $111,464,900 for the same months in 1915. During August this year there were 211 fires, each causing an estimated property damage of $10,000 or over.

Received business of the North American Life for August amounted to $912,740. Owing to the fact that several producers were out of their respective fields during the month, the total fell under the million a month level which the company is aiming at this year. The average for the first eight months of 1917, however, is over the million mark, and, with all agents back in their territories, this level will be maintained.

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Incorporated 1851
HEAD OFFICE, TORONTO, ONT.

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Losses paid since organization over	$66,000,000.00

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REAL ESTATE AND MORTGAGES

BIG DECLINE IN PERMITS FOR AUGUST

Building Has Slackened All Over the Dominion during the Month.

FALLING-OFF IS GENERAL

Quebec Was the Only City to Show Substantial Advance, While Vancouver Loss Was Heavy.

A rather serious decline in the value of building permits issued in Canadian cities is exhibited in the August summary, appearing at the bottom of this column. For twenty-six eastern and eleven western cities, the drop extended to over a million and a quarter dollars. This has had the effect of reducing very considerably the gain, which had been piled up during the first seven months of the year. 1917 is still ahead of 1916, but the excess for the eight months is only $897,975, as against over $2,000,000 at the end of seven months.

Declines by Montreal, Toronto and Hamilton account for the bulk of the losses among the eastern cities reporting. Montreal went back by $311,172; Toronto by $254,517, and Hamilton by $278,320. Other considerable losers were Port Arthur with $173,465; Brantford with $90,495; London with $76,730; Ottawa with $51,000, and Windsor with $47,625. This shows that the falling off was general and was not limited to any one or two centres.

Quebec Leads.

The principal gain among eastern cities was recorded by Quebec, which went ahead by $406,599. Other gains, however, were comparatively small, being insufficient to exert any favorable effect on the month's total.

The majority of cities still exhibit gains for the eight months, ranging from $813,068 in the case of Port Arthur, to $3,404 in that of Woodstock. Toronto's improvement stands at slightly over half a million dollars, while that of Montreal is barley $20,000. The 26 eastern cities reporting are ahead by $1,264,545.

Vancouver's Slump.

With the exception of Vancouver, western cities make a fairly good showing for the month. Building is still of very limited proportions. Winnipeg, with a total of $222,250 and a gain of $58,800, stands first. Regina, with a total of $164,670, and a gain of $67,420, comes second, and Vancouver third with $54,424. The latter, however, compares very unfavorably with a total of $625,878 in August 1916. Altogether, western cities dropped back $459,116 for the month, and $366,570 for the eight months.

NOT VERY SUCCESSFUL.

Federal Land Banks in the United States Work Ponderously.

According to views expressed by state bankers, operation of the Federal land banks appears to be stimulating rather than retarding investment interests in farm mortgages, says an American financial journal. The new government banks are working ponderously and at many disadvantages. In sparsely settled communities where the mortgage rate has been from 8 to 10 per cent., the new banks have forced a reduction in rates. In such communities the dealer is now charging from 6 to 7 per cent., while the Federal bank charges 5. Farm mortgage bankers believe the new act will be amended and improved in the light of experience, as was the Federal reserve act, and that ultimately it will serve all the purposes for which it was intended. Not a farm loan association has been organized in Iowa, northern Illinois or similar territory.

FARM MORTGAGES.

Probable Effect on Them of Government Price Fixing.

Probably the farmers of the western loan field have not in their history been so disturbed by government action as they are just now by the fixing of the price on wheat and probably to be followed by price fixing on other products of the farm, writes C. M. Harger in the Financial World of Chicago. Last winter wheat was over $3 a bushel at primary markets; early in the harvest season this year it was $2.70, with prospects of its going still higher when Mr. Hoover announced his plan of fixing the price for this year's crop. As this is written the news is that the price will be $2.20 at Chicago and $2.30 at New York, a liberal figure. The farmers naturally are making strenuous objections claiming that it means less profit than is allowed on other articles of trade and counting in the extra expenses they are sure that they are entitled to more. Here and there are threats that if they are not allowed to get more they will not sow an increased acreage for the coming season. They claim that they can make more with alfalfa hay at $20 a ton and all other grains high than they can at wheat. But this may be exaggeration. The farmer usually sows some wheat, because it takes part of his land out of cultivation from October until July. The important factor is the influence on the farmer's prosperity by the price fixing plan. Unquestionably the farmer has been in a position this year where he could make money provided he could get the help and could finance his operations. The help problem grows more serious as men are taken for draft and go to the factories and government building camps at high wages. Farm labor receives nearly twice as much as three years ago and will receive more next year. The overhead expenses of the farm are increasing steadily. If there is to be a margin of return the farmer says he must have high prices for his crops and he is now protesting against price fixing at too low a level for him to make progress.

Yet it is necessary for the country's welfare that there be reasonable prices for food and the consumer demands cheaper bread. The farmer is patriotic and is willing to do his share, but he wants all other articles put on the same level as his products. The farm loan field is interested in this as interest and principal must be paid. Business demands must be met. If the farmer receives too little he does not increase his production and he is unable to met his obligations and the overhead expenses against which he is now struggling. Not every farmer is well to do. Many are carrying heavy loans. They are constantly borrowing at the bank. They must have their expenses before they can lay aside money. So the price fixing is a cital matter and the government if it is to encourage the expansion of farming should be very careful in its orders. Next year's wheat is guaranteed $2 a bushel—what would have been considered a high price two years ago, but which is in these times probably no more than $1 a bushel would have been in 1915. It is not fair to consider the farmer as a class set apart for regulation, and if he is not fairly treated, or if he thinks he is not fairly treated, it will react on the business of the country and on the conduct of our national affairs. Price fixing in this country is a new thing and one that must be handled with great care not to cause more trouble than do the high prices for food. The farmer-borrower must have such treatment as will enable him to meet his obligations and bring him to fair income and the boards and commissions shou'd take this into consideration in all their regulations. The prosperity of the farmer is the basis of the nation's strength and nothing could be worse than to lessen this at a time when every element of power is needed.

BIG VALUES IN TORONTO BUILDINGS

Assessment Returns Just in Show How Skyscrapers Are Assessed.

THE MOST VALUABLE CORNER

Policy Followed of Dividing Up Frontages and Valuing Sections at Decreasing Rates According to Location.

Toronto's assessors have completed their labors for this year with the turning in of assessment figures for Ward Three. This is the big central business ward of the city, containing practically all the large business buildings. A glance over the values placed on several of these structures and the land on which they stand is, therefore, of interest.

The Dominion Bank Building at the south-west corner of King and Yonge Streets is assessed on the King Street frontage. The assessment is split up into three parts with 26 feet at the corner being placed at a value of $16,500 a foot, 29 feet 9 inches at $11,500 a foot, and 19 feet at $8,500 a foot. This makes a total land assessment of $932,625. The building is valued at $1,000,000.

Value of Big Building.

On the Royal Bank corner, at the north-east intersection of King and Yonge, 26 feet by 112 feet is assessed at $12,000 a foot, 27 feet by 112 at $7,750 per foot, and 28 feet 3 inches by 112 feet at $5,500, a total of $676,625. The big twenty-storey building is assessed at $925,000.

The old Lalor building at the north-west corner of King and Yonge Streets is assessed at $75,000, and the land at $10,750 per foot for 20 feet by 90 feet, and at $8,250 for 34 feet by 90 feet.

The C. P. R. building at the south-east corner of King and Yonge Streets is assessed at $750,000, and the land at $575,207, which is rated in pieces of 22 feet at $5,250, 26 feet at $7,250, and 26 feet 5 inches at $10,250 a foot.

Other valuable corners are at the intersection of Queen and Yonge Streets. The north-east corner of Queen and Yonge has a total land assessment of $293,987, being 22 feet 8 inches, at $6,300, 14 feet 9 inches at $5,350, and 14 feet 9 inches at $4,900 a foot. The depth is only 71 feet. The building is valued at $48,000.

Woolworth's land assessment, at the north-west corner of Queen and Yonge Streets, $273,000; 25 feet at $7,200, and 15 feet at $6,200. The depth is 82 feet 6 inches. The assessment on the building is $25,000.

A rate of $7,750 a foot is fixed for the south-east corner of Queen and Yonge, which has 32 feet frontage by 110 feet depth. This means a total on land of $248,000; while the Imperial Bank Building on the site is rated worth $95,000 from the assessment standpoint.

A Large Block.

Simpson's property is one of the larger parcels, which has a rate of $8,500 a foot for 34 feet 6 inches at the Richmond Street corner, $7,000 a foot for the next 146 feet to the north, and $10,000 a foot for 28 feet at the Queen Street corner. The property has 156 feet to 158 feet 7 inches depth. The building is valued at $260,000.

The Lumsden Building, at the north-east corner of Yonge and Adelaide, is valued at $160,000, and the land at $364,333. The latter's ratings are 56,7500 for 21 feet, $6.500 for 21 feet, and $5.000 for 21 feet 5 inches. The property is 98 feet deep.

Ryrie's, at south-west corner of Yonge and Temperance, has an assessment of $472,500 on the land and $60,000 on the building. Twenty-eight feet by 158 feet is valued at $7,250, 20 feet by 158 feet at $6,500, 22 feet by 100 at $6,000, and a rear portion 30 feet by 58 feet, at $250 a foot.

The Mail Building, which is a block west of Yonge Street, is assessed at $50,000, while the land is valued at $337,000, being 20 feet by 147 at $8,750, 30 feet by 147 at $5,000, and a rear part, 40 feet by 56 feet, at $300 a foot.

Value of City Hall

The City Hall, which, of course, is exempt from taxation, is valued by the assessors at $2,100,000. This makes it the most valuable building in Toronto. The land assessment is placed at $1,489,500, which is at the rate of $4,500 a foot for 331 feet by 380 feet 6 inches. The total assessment on land and building, therefore, is $3,589,500.

The Dominion Bank corner being the highest assessed in the city, it is interesting to note that a rate of $16,500 for 26 feet on the corner means $1,375 an inch.

BUILDING PERMITS for MONTH of AUGUST

EASTERN CITIES.

	Aug., 1917	Aug., 1916	Change	8 months, 1917	8 months 1916	Change
MARITIMES—						
Halifax	$ 126,608	$ 93,516	+ $ 33,092	$ 648,509	$ 697,421	— $ 48,912
St. John	10,700	23,250	— 12,550	484,950	343,000	+ 141,950
Sydney	41,175	13,850	+ 27,325	215,189	77,515	+ 137,674
QUEBEC—						
Montreal	290,168	601,340	— 311,172	3,601,707	3,581,554	+ 20,153
Westmount	11,769	29,885	— 18,116	95,310	440,448	— 345,138
Quebec	521,418	114,819	+ 406,599	1,793,010	1,638,897	+ 154,113
Lachine	103,270	14,320	+ 88,950	299,113	338,842	— 39,729
Maisonneuve	17,700	38,000	— 20,300	875,725	172,028	+ 703,697
ONTARIO—						
Brantford	10,975	101,470	— 90,495	84,195	199,667	— 115,472
Chatham	75,300	26,212	+ 49,088	291,472	243,849	+ 47,623
Galt	8,875	57,885	— 49,010	81,600	196,840	— 115,240
Hamilton	78,375	356,695	— 278,320	1,691,370	1,752,306	— 60,936
Kingston	17,947	25,065	— 7,118	104,753	151,810	— 47,057
Kitchener	32,390	26,402	+ 5,988	170,412	219,923	— 49,511
London	31,255	107,985	— 76,730	515,435	692,715	— 177,280
Ottawa	67,750	118,750	— 51,000	735,042	938,350	— 203,308
Peterborough	3,540	12,035	— 8,495	127,078	99,940	+ 27,138
Port Arthur	7,290	180,755	— 173,465	1,417,544	604,476	+ 813,068
St. Thomas	10,415	7,590	+ 2,825	51,295	64,476	— 13,181
St. Catharines	79,003	91,499	— 12,496	369,932	424,675	— 54,743
Stratford	36,311	19,975	+ 16,336	166,966	162,227	+ 4,739
Sudbury	22,600	7,650	+ 14,950	63,080	139,250	— 76,170
Toronto	850,801	1,105,318	— 254,517	4,938,583	4,365,377	+ 573,206
Welland	11,115	25,648	— 14,533	183,380	146,293	+ 37,087
Windsor	76,090	123,715	— 47,625	919,325	971,955	— 52,630
Woodstock	16,883	13,917	+ 2,966	79,027	75,623	+ 3,404
Total 26 E. cities	$2,559,723	$3,337,566	— $777,823	$20,004,002	$18,739,457	+ $1,264,544

WESTERN CITIES.

	Aug., 1917	Aug., 1916	Change	8 months, 1917	8 months 1916	Change
MANITOBA—						
Brandon	$ 29,368	$ 60,700	— $ 31,332	$ 122,148	$ 215,650	— $ 93,502
Winnipeg	222,250	163,450	+ 58,800	1,989,150	1,963,450	+ 25,700
ALBERTA—						
Edmonton	9,700	51,400	— 41,700	186,200	132,860	+ 53,340
Lethbridge	1,000	8,270	— 7,270	48,253	47,025	+ 1,228
B. COLUMBIA—						
N. Westminster	4,915	4,650	+ 265	68,765	58,297	+ 10,468
Vancouver	54,424	625,878	— 571,454	385,920	1,216,384	— 830,464
Victoria	9,205	2,750	+ 6,455	65,205	80,525	— 15,320
Kamloops	550	Nil	+ 550	9,125	2,800	+ 6,325
SASKATCHEWAN—						
Moose Jaw	51,250	9,200	+ 42,050	245,210	190,745	+ 54,465
Regina	164,670	97,250	+ 67,420	330,670	192,800	+ 137,870
Saskatoon	21,100	4,000	+ 17,100	374,115	90,795	+ 283,320
Total 11 W. cities	568,432	$1,027,548	— $459,116	$3,824,761	$4,191,331	— $ 366,570
Gr. total 37 cities	$3,128,155	$4,365,094	—$1,236,939	$23,828,763	$22,930,788	+ $ 897,975

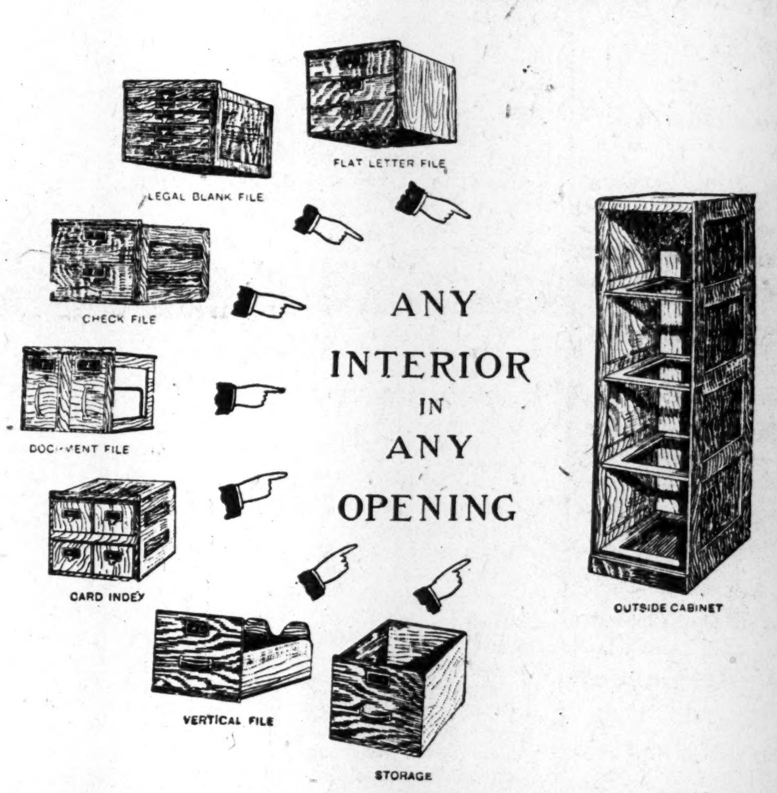
CANADIAN HESSION TILLERS AND TRACTORS, LIMITED

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 16th day of August, 1917, incorporating Henry David Petrie, barrister-at-law, Thomas Crompton, estate dealer, Alexander McKenzie Snyder, broker, Adam Henry Hope, accountant, and Frederick Charles Petrie, salesman, all of the City of Hamilton, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, prepare for market and market tillers, tractors and farming implements; (b) To erect, construct, build, lease, purchase or otherwise acquire, hold, own, use, equip, operate, or in any manner turn to account, or dispose of buildings of any and every kind, stores, store-houses, warehouses, offices, agencies, factories, plants, machinery, tools, equipment of any kind, with its appurtenances and appliances and therein or thereout, to manufacture, produce, obtain, assemble, use, own, develop, demonstrate, display, deal and trade in, barter, exchange, vend, sell, or in any manner turn to account or dispose of tillers, tractors and farming implements that may be used in connection therewith, or any parts appertaining thereto, or any supplies used in connection therewith, or any tools or fixtures essential therefor, or any other articles or things required to manufacture and prepare for market and to market. To acquire any invention, patents, patent rights or licenses to manufacture, thereunder, by way of purchase, royalty or otherwise; (c) To purchase from Daniel F. Hession and Israel Lewis Currier or either of them a license or a right to manufacture and deal in tillers or tractors now designed, or which may be hereafter designed by Daniel F. Hession; (d) To pay for any property, rights and things required by the company or for services rendered to the company in cash, fully paid shares of the capital stock of the company or its bonds and debentures; (e) To amalgamate with any other company having objects similar to those of the company; (f) To invest the moneys not immediately required in such securities and in such manner as may from time to time be determined; (g) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company, having objects altogether or in part, similar to those of the company; (h) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (i) To do all or any of the above things as contractors or otherwise and either alone or in conjunction with others; (j) To purchase, lease or acquire and develop water or other power and to use the same and to lease, sell or otherwise dispose of any surplus thereof; (k) To purchase or otherwise acquire on such terms and in such manner as the directors of the company from time to time decide, any shares of the capital stock of this company, provided that consideration therefor be paid out of the company's profits or surplus, if any, and not out of the capital of the company; (l) To pay out of the funds of the company, all costs and expenses of and incidental to the incorporation, advertising, promotion and organization of the company; (m) And to do all such other things as may be deemed useful, necessary or desirable in the attainment of any of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Canadian Hession Tillers and Tractors, Limited," with a capital stock of five million dollars, divided into 500,000 shares of ten dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada this 18th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

H. D. Petrie, Barrister at Hamilton, Ont., Solicitor for Incorporators.



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Capital Paid Up - - $2,453,995.83
Assets - - - - - - $3,527,985.91

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OVER 19 PER CENT ON LOCOMOTIVE COMMON STOCK

Kingston Concern Had by Far the Best Year in History.

A SPLENDID OUTLOOK

Orders of $4,125,000 Ahead—Munitions Business Has Played Small Part in Earnings—Activity Assured for Some Years.

Apart from the fact that the profits of the Canadian Locomotive Company for the year ending June 30 at $721,254 compared with $572,986 in 1916, and a high pre-war record of $396,886 in 1913, the outstanding feature of the company's annual statement is contained in the report of the president, Aemilius Jarvis, who states that the showing made is due entirely to the extra production of the company's plant both in locomotives and munitions, while there are contracts for locomotives and locomotive parts on hand amounting to $3,925,400 and orders for munitions amounting to $199,600, making a total of $4,125,000 of orders ahead, all secured at satisfactory prices. Further, THE FINANCIAL POST has been given to understand that not only, as indicated by the figures quoted, does the normal output of the company account for the great bulk of future business secured, but that it has been "business as usual" which has been responsible for the profits of last year rather than shell contracts. Under these circumstances the passing of the shell business will not greatly affect the company's operations, while the outlook in the locomotive industry is such that Mr. Jarvis observes "we feel assured that our plant will be kept fully occupied for some years to come."

The record of the company's earnings since 1912 indicates that Canadian Locomotive is one of those industries which has greatly benefited from war conditions and war prices without departing to any great extent from its usual lines of production.

June,	1912	$326,380.43
"	1913	396,886.02
"	1914	342,057.25
"	1915	134,613.89
"	1916	574,211.78
"	1917	721,254.90
An aggregate of		$2,495,404.27

An average net earning of $415,900.71 per annum.

An examination of the profit and loss account, coupled with the statement of the president as to the nature of business on hand and prospects for the future, is ample justification for the dividend policy which has been adopted by the board. Having made full allowance in the previous year for expenditures for war equipment, the appropriation of $100,000 for depreciation and $25,000 for replacement would seem to be quite ample. These deductions, together with allowances for bond interest and sinking fund, left a balance of $491,254, or 32.7 per cent. on the $1,500,000 of preferred stock outstanding. The preferred dividend took $105,000, leaving a balance of $386,254 available for distribution on the common stock. This represents 19.3 per cent. on the $2,000,000 outstanding, compared with 8.07 per cent. at the end of the previous year. In 1915 the payment of bond interest and moderate allowances for depreciation and replacement left a deficit of $55,499, which was increased to $160,499 by the payment of the preferred dividend. Following are comparative figures for the past three years:

	1917	1916	1915
Profits	$721,254	$572,982	$130,027
Other income	......	1,229	4,586
Total	$721,254	$574,211	$134,613
Deducted	......	12,691	112
Net	$721,254	$561,520	$134,501
Bond int.	90,000	90,000	90,000
Depreciation	100,000	100,000	75,000
Replacement	25,000	25,000	25,000
War equip.	......	65,000	.....
Sink. fund	15,000	15,000	.....
Balance	$491,254	$266,520	*$ 55,499
Preferred	105,000	105,000	105,000
Balance	$386,254	$161,520	*$160,499
Previous	304,322	142,801	303,300
	$690,576	$304,322	$142,801

*Deficit.

It will be noted from the above figures that the common dividend will be paid from a total surplus of $690,576, which is 34.5 per cent. of the stock outstanding.

The Labor Situation.

In view of the generally unsettled conditions in the labor market, it is interesting to note that President Jarvis states that, so far as the company is concerned, the problem has not been a serious one, and that there was no difficulty in securing all the labor required. This was an important factor in the development of the output indicated and the attendant increase in profits, efficient service having been obtained with comparatively small plant additions. The actual increase in the property account was $59,742, and the comment is made that this is the normal increase necessary to keep pace with the growing business.

Improved Liquid Position.

The balance sheet indicates an improved position as regards working capital. Current assets of $1,340,929 show comparatively little change from $1,336,699 a year ago. However, the current liabilities, which were $998,434 in 1916, have been reduced to $554,517. This reduction has been made through the payment of bank advances which, in the 1916 report, amounted to $581,500. Accounts payable are about $138,000 higher. The surplus of current assets over current liabilities increased from $338,265 to $786,412 during the year.

B.C. RAILWAY FAILS TO PAY BOND INTEREST

Future of the Victoria and Sidney System Very Uncertain — Great Northern Interested.

Special Correspondence.

VANCOUVER. — The failure to meet the $300,000 worth of bonds of the Victoria and Sidney Railway which matured on the 1st inst., renders the future operation of that railway decidedly uncertain. The bonds which are guaranteed as to interest by the Government of British Columbia and the City of Victoria, jointly, were issued for a term of twenty-five years. When the railway first began operating, it had a clear field, but the entry of the B. C. Electric Railway into practically the same field, followed later by the Canadian Northern Pacific, made it a losing proposition, and almost from the start, much of the district traversed, being sparsely settled. The result was that the company defaulted in its bond interest for a number of years, the guarantors being called on to pay.

In 1913 an agreement was entered into whereby the guarantors were released from their guarantee, the Victoria, Vancouver and Nanaimo Railway, representing the Great Northern Railway, securing active control, to the extent of the bond guarantee. Failure on the part of the Great Northern Railway to meet the bond payment will undoubtedly throw the road into the hands of a receiver which would be the regular legal course. In an effort toward improving their service as the result of competition, the railway put on a gasoline car four years ago, but it did not meet with any particular success owing to the cost of operation. No action has been taken by the bondholders since the default took place several days ago.

According to the latest report to Poor's Manual of Railroads, the company's authorized capital is $500,000, of which $103.000 was outstanding at June 30, 1916. The capital is all owned and controlled by the Great Northern Railway Company. The road operates between Victoria and Sidney, Vancouver Island, a distance of 15.9 miles with sidings of 1.67 miles. The company has only shown profits in one year since 1912; that was in 1913, when the balance was $4.725. Deficits run from $11,000 to $53,000; the deficit in 1916 was $21.234. The total deficit as at June 30, 1916, amounted to $140,088.

U. S. COAL SITUATION.

An Effort to Secure Largest Possible Production at Just Prices.

The United States Fuel Administration authorizes the following: The task of the Fuel Administration is to secure the largest possible production of fuel at prices just to the producer and reasonable to the consumer.

The coal situation is briefly this: The demand has vastly increased. It comes from factories and railroads. not from domestic consumers, whose use is normal. Factories and railroads must be kept going and households must be kept warm and well fed, if the country is to be fit for its great task. We dare not forget that we are at war and that the cause we have at heart depends in large measure upon abundant production and wide distribution of coal. We must produce all we can and distribute according to need. In addition to meeting the situation at home, we must supply coal to our army and navy abroad and consider the needs of our neighbors, especially Canada, Cuba and South America, and some of the allies, whose suply is inadequate.

It is the purpose of the Fuel Administration to encourage production, to utilize, as far as possible, all existing agencies, to seek the advice of experts and the co-operation of operators and miners, of industrial and domestic consumers, and of all who perform a useful service in the production and distribution of coal.

SPANISH RIVER CO. IS COMING BACK STRONG

During Past Fiscal Year Cuts Down Deficiency Account by Large Sum.

MAKES RECORD PROFITS

If Same Rate of Progress is Maintained It Will Not Be Many Years Before Dividends Are Resumed.

Since June 30, 1914, the Spanish River Pulp and Paper Mills, Limited, have been carrying on their books a deficiency account of $1,335,399. That the company has been able out of this year's profits to reduce this amount to $500,000, and still have a large balance to the good, is the most encouraging feature of the annual report issued this week. If the same progress is made during the current year, the deficiency account will be entirely wiped out and some progress can be made towards meeting the deferred interest on bonds and notes due in 1922, which now amounts to $1,331,209.

Total net revenue for the year of the combined Spanish River and Lake Superior Companies amounted to $2,117,734, which is nearly $800,000 better than the previous year. Depreciation charges of $269,821 were allotted, while interest on funded debt and other loans amounted to $718,409. This left a total net surplus for the year of $1,129,504, as against $431,291 in 1916. After including the balance at profit and loss at the beginning of the year, viz., $699,621, the sum of $1,829,125 was available for distribution. Of this sum $835,399 was applied to the reduction of the deficiency account and the balance carried forward.

The following figures show how the position of the company has changed during the year:

Assets.		
Property account	$22,868,092	$21,368,145
Current assets	5,700,603	4,485,297
Deficiency account	500,000	1,335,399
Total assets	29,422,108	27,755,998
Liabilities.		
Capital stock	$13,699,113	$13,699,100
First mort. bonds	8,726,113	8,726,113
second mort. bonds	1,606,000	1,606,000
Defer. int. on bds.	1,331,209	1,356,429
Current liabilities	2,227,540	1,036,401
Depreciation res.	517,323	247,502
Profit and Loss.		
Previous balance	$ 699,621	$ 268,330
Net profits	1,129,125	431,290
Written off	835,399	......
Balance	993,725	699,621

In his report to the shareholders, George H. Mead, president, makes these remarks anent the year's business:

"The increase shown in Net Revenue amounting to approximately $775,000 is due to higher prices obtained for newsprint paper during the past twelve months and to the increased output of the plants, combined with greater efficiency in the operation of all departments of the business. This increased efficiency is the result of the improvements and betterments of the plants, referred to in the last Annual Report as being important to the Company's further development.

"It has been deemed advisable to increase the depreciation charges for the year in consequence of the present high cost of construction in the recently made improvements as well as the increased wear and tear upon all equipment when continuously operated at maximum capacity over a considerable period.

"The property account as at 30th June, 1917, shows that there has been expended during the year $1,500,000 on enlargements, improvements and betterments, increasing the capacity of the combined mills approximately 70 tons per day, and the additions to be completed during the present summer and fall will still further increase production as well as improve the efficiency of the plants.

"Throughout the year during which prices of all grades of paper have been unusually high, the market at times verging upon panic figures, your Company maintained its principle of conservative selling and protected its customers by reserving for their use its entire production, refusing to dispose of any portion of its output at so-called spot prices. The wisdom of this course has been proven by the undoubted increase in the confidence of the Company's customers in the stability of its selling policy.

"In spite of every effort to deal fairly with the situation, your Company, along with other similar companies in both Canada and the United States, has been subject to attack by certain publishers, and, as a result, investigation by the Governments of both countries, but your directors feel that such attacks have been made because of lack of proper or sufficient knowledge of the very grave situation in which the pulp and paper mills of the continent have found themselves in consequence of past years of unprofitable operation, as well as recent months of war condition, and that when the facts are finally determined the position of the manufacturers will be justified.

Western reports indicate that large quantities of Estevan coal have been shipped to Manitoba during the past few months, and firms in Winnipeg report that this Saskatchewan lignite is proving less expensive and quite as satisfactory as soft coal shipped.

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J. Henderson, Vice-President
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, A. H. Campbell, Brig.-Gen. F. S. Meighen, J. L. Englehart, Wm. I. Gear, Paul J. Myler
Thos. F. How, General Manager John R. Lamb, Supt. of Branches
D. C. Grant, Chief Inspector
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